United Nations ECE/CTCS/2018/6

Economic and Social Council

Distr.: General
6 March 2018

English
Original: English and Russian

Economic Commission for Europe

Steering Committee on Trade Capacity and Standards

Fourth session
Geneva, 3-4 May 2018
Item 5 of the provisional agenda
Country follow-up to Economic Commission for Europe studies on regulatory and procedural barriers to trade

Follow-up on Economic Commission for Europe countries studies: Republic of Moldova

Summary

As part of its broader effort to increase the trade sector's contribution to economic development, the Government of the Republic of Moldova requested the Economic Commission for Europe (ECE) to conduct a study on regulatory and procedural barriers to trade in the country. Completed in 2017, the study provided a number of recommendations, which were drafted in consultation with the Government and the private sector.

The recommendations were integrated in their entirety into the Government's National Action Plan for Trade Facilitation, which was adopted in December 2017 pursuant to Government Decision No. 1065. The Plan comprises ninety one actions divided into thirty five thematic chapters, with an estimated budget of over Euro 137,1 million, and will be implemented by fourteen State agencies with the support of the National Trade Facilitation Committee. The ECE is working closely with the Government and Permanent Mission of the Republic of Moldova to the United Nations Office in Geneva to create the required partnerships for supporting the successful implementation of the strategy.

This document contains the National Action Plan for Trade Facilitation of the Republic of Moldova. It was prepared upon the request of the Government to brief member States on achievements to date in implementing the recommendations emerging from the study.

The document is presented to the Steering Committee on Trade Capacity and Standards for decision. The recommendations emerging from the ECE study are provided in the Annex.

GE.18-03455(E)

Please recycle

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	ECE Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
1. Publication and availability of information	**1. Information Available in Internet**							
	Elaborate the technical concept of the new trade informational portal (Trade Point).	Art. 1 (2)	No. 2 (1) No. 2 (2)	2019	MoEI[1] MoHLSP[2] SV[3], ANSA[4]	Technical experts to draft, develop, and maintain a new webpage	State budget. Assistance of international partners.	Technical concept of the Informational portal on trade approved by Government Decision
	Develop an informational portal on trade (*Trade point*), develop the procedures for *Trade point* functioning, set the review and periodic update processes of published information.			2019	MoEI MoHLSP ANSA	Develop the specifications, content and design of *Trade point*, informative guidelines, online applications (customs payment calculator, forms, etc.), translate the information into other languages of trade partners; develop operating rules of the system	State budget. Assistance of international partners.	Informational portal on *Trade point* developed and launched. *Operating rules of the trade point approved by Government Decision*

[1] Ministry of Economy and Infrastructure
[2] Ministry of Health, Labour and Social Protection
[3] Customs Service
[4] The National Agency for Food Safety

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	EU Regulation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
	Update content, style and design of the official webpage of the Customs Service www.customs.gov.md:			2019	SV	Develop the design, style and online applications (customs payment calculator, forms, etc.) for the webpage of the Customs Service www.customs.gov.md Translate the information into languages of international communication. Develop TARIM[1] application on the webpage of the Customs Service and customs information system. Translate TARIM information in one of the	State budget. Assistance of international partners.	Webpage of Customs Service upgraded and accessible in other languages of international communication

[1] Integrated Tariff of the Republic of Moldova

EGCC LCS 2018

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	UCC Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
						languages of international communication. Training and exchange of experience with customs services of other states regarding TARIM management		
	Update content, style and design of the official webpage of the National Agency for Food Safety www.ansa.gov.md			2019	ANSA	Develop design, style and online applications (calculator of provided services, forms, etc.) for the webpage of the National Agency for Food Safety www.ansa.gov.md Translate the information ready for publication into other international communication languages and languages of other trade	State budget. Assistance of international partners.	ANSA webpage updated and accessible in international communication languages

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	ECE Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
						partners. Training and exchange of experience with similar authorities from other states in TRACTS management.		
	2. Enquiry/information Points							
	Create a single national information point for local and foreign economic agents by adopting a methodology for disseminating information through electronic channels (portal, information panels, LEDs, IT terminals)	Art. 1 (3)	No. 2 (3)	2018	MoEI[9]		State budget	Official decision adopted
	Adopt formal procedures that would define working processes and operation of trade enquiry/information points in the field of trade facilitation and reduction of customs procedures (i.e. application processing standards, including the time for reply; standard models and forms; communication methods etc.)			2019			State budget	Official procedures adopted
	Endow the enquiry points with adequate equipment for their activity (including key communication equipment and ICT support, such as			2019	SV	Technical support equipment, IT	State budget; Assistance of international	Adequate equipment ensured

[9] Ministry of Economy and Infrastructure

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	EAC Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
	search engine for fiscal tariffs and rates or a similar national database with trade information).					support.	partners.	
	Develop the infrastructure of customs points by equipping them with modern information systems regarding customs regulations and food safety.			2019	SV ANSA	Equip customs border points with electronic information screens (terminals, information windows with Touch Screen, with interactive software interface) and screens with information about customs and food safety regulations.	State budget. Assistance of international partners.	Enhance quality and accessibility of information on customs regulations and food safety for citizens and business environment.
	Strengthen the capacities of the Call Centre of Customs Service			2019	SV	Endow the Call Centre of the Customs Service with modern equipment that optimize the call processing, efficient incoming/outgoing call management, enhance call monitoring and record, follows-	State budget. Assistance of international partners	Efficient communication, enhance service quality and response time to calls made to the Call Centre of the Customs Service

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	ECE Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
						up on the satisfaction level of callers. Training of Call Centre operators		
2. Opportunity to comment on laws before entry into force, and consultations	**3. Opportunity to Comment on Laws Before Entry Into Force**							
	Law review analysis to include the comments and recommendations of the private sector and to consider them accordingly to ensure transparent decision-making process.	Art. 2 (1)	No. 1 (2)	2019	MoEI		State budget	Relevant legislation reviewed and amended, as applicable
	Law review analysis to allow RIA on all trade-related regulations.			2019	MoEI		State budget	Relevant legislation reviewed and amended, as applicable
	4. Consultations							
	Develop and publish procedures for stakeholders with the purpose to recommend how to initiate consultations and how to participate in consultations.	Art. 2 (2)	No. 1 (1)	2019	MoEI, MoF[7] SV[8], ANSA		State budget	Relevant procedures developed, adopted and published
	Training of border authorities and private sector regarding efficient consultations.			2019	SV, ANSA		State budget	Border agencies and private sector trained
3. Other	**5. Notifications for enhanced controls or inspections**							

[7] Ministry of Finance
[8] Customs Services

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	EC Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
measures to enhance impartibility, non-discrimination and transparency	Assess good practices, develop, adopt and publish notification procedures of border authorities to consolidate the controls and inspections in accordance with the proposal, including: • criteria used to make a notification, • cancelation or suspension of alert, • notification of importer or competent authority from exporting country.	Art. 5(1)	No 3(3)	2020	ANSA	Technical expertise in implementing and administrating import alert systems regarding food and feed safety.	State budget. Assistance of international partners	Relevant procedures developed, adopted and published
	Training of personnel in official notification system, including national and international best practices. Training of relevant border agencies in operational requirements of the notification system.			2020	ANSA	Training		Training delivered.
	Carry out actions to develop and implement a National early alert system for food and feed (SNARAF) and national early mechanism (MNAT) in line with the EU mechanisms.			2020	ANSA	*Legal support.* technical support, IT support.		*Legal framework* developed and approved GD. SNARAF and MNAT developed and implemented
	Enhance the mechanisms to appeal or review by regulating the establishment of Dispute Settlement Councils as instrument to ensure transparency in administrative examination procedure of appeals, inactions of public agent and against administrative acts issued within control procedures.			2018	MoEI	Legal support.		Primary and secondary legal framework (Law and GD) on Dispute Settlement Council approved.
	Implement and ensure the activity of Dispute Settlement Council.			2018	State control bodies.	Legal support.		Dispute Settlement Councils

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	EU Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
					according to Annex, Law 131 of 08.06.12			established and operational.
	6. Test Procedures							
	Consider the opportunity to amend customs legislation to include repeated tests by the importer.	Art. 5 (3)	No. 5 No. 28 No. 29	2019	MoF[7], SV, ANSA	Exchange experience with other states	State budget	Relevant legislative amendments developed, adopted and published.
	Enhance the capacities of customs laboratory.		No. 30	2020	SV	Furnish the customs lab with modern equipment necessary to determine the authenticity of customs documentation; Develop the information system for efficient process management, risk analysis and exchange of information in customs laboratories. Exchange of	State budget. Assistance of international partners	Time necessary to verify and analyse the goods for customs purposes reduced.

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	TCF Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
						experience with customs labs from other states to implement best practices in forensics		
	Enhance the capacities of ANSA laboratories			2020	ANSA	Furnish ANSA laboratories with modern equipment. Develop the information system for efficient process management, risk analysis and exchange of information in ANSA laboratories.	State budget. Assistance of international partners.	Time necessary for goods analysis and forensics for food safety purposes reduced
4. General Regulations on Fees and Charges Imposed on or in Connection with Importation and	**7. General Regulations on Fees and Charges Imposed on or in Connection with Importation and Exportation** Develop proper legislation to include periodic review of fees and charges (imposed on or in connection with importation and exportation): frequency of review and criteria that need to be applied by the review mechanism	Art. 6 (1)	No. 12 (1)	2019	MoEI[10], MoF, SV		State budget	Relevant legislation developed, adopted and published

[10] Ministry of Economy and Infrastructure

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	UCC Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
Exportation	Develop relevant regulations within the Regulation on the implementation of new Customs Code.			2020	MF SV		State budget	Relevant legislation developed, adopted and published
	8. Penalty regulation							
	Review the charges and fees applied by the Customs Service for minor offences committed by companies to reduce their size.	Art. 6(3)		2020	MF SV		State budget	Customs Code amended and approved.
	Develop relevant regulations related to sanction procedure within the Regulation on the application of the New Customs Code.			2020	MF SV		State budget	Relevant legislation developed, adopted and published
5. Release and clearance of goods	**9. Pre-arrival Processing**							
	Develop the ASYCUDA[1] World System to implement the pre-arrival processing procedure	Art. 7(1)	No 9 No 1.2	2020	SV	Develop the pre-arrival processing module for ASYCUDA World System. Develop the national IT modules for pre-arrival passenger exchange of information.	State budget Assistance of international partners	The time and costs for border crossing and declaration of goods have been reduced

[1] ASYCUDA is the United Nations Conference on Trade and Development (UNCTAD) web-based Automated System for Customs Data and serves as to serve as the backbone for the Customs Integrated Information System (CIIS)

Chapter	Actions to be implemented	Article of the Protocol Amending the Marrakech Agreement	H.S. Recommendation	Deadline etc.	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
						Exchange of experience with customs services in other states.		
	Develop pre-arrival risk analysis system			2020	SV	Training of staff for pre-arrival processing procedure	State budget. Assistance of international partners	Reduced time and enhanced quality of customs control
	10. Trade Facilitation Measures for Authorized Operators							
	Develop customs facilitations for AEO (a simplified customs declaration, use of comprehensive guarantees or reduced guarantees, fast border crossing, etc.)	Art. 7 (7)	No. 10	2020	SV	Modernize the guarantee management method in the customs information system	State budget Assistance of international partners	Simplified customs procedures for AEO implemented. Increased number of AEO.
						Upgrade the infrastructure of border-crossing points by		

Chapter	Action to be undertaken	Article in the Protocol on Trade Facilitation, Movement of Persons and Transport	EU Directive endorsed	Deadline	Responsible institutions	Foreign technical and financial assistance needed	Costs and sources	Expected results
						equipping with additional lanes (AEO Fast Lane) dedicated to fast border crossing		
	11. Expedited Shipments							
	Analysis of normative framework, develop policies on simplified notification procedures or licensing, in accordance with international standards and good practices.	Art. 7 (8)		2020	MoEI MF	Legal and operational expertise to set an accelerated issuance programme (legislation, procedures, and operational measures)	State budget. Assistance of international partners.	Relevant policies and SOPs developed, adopted and published
	Training of civil servants, customs officers and representatives of companies in the field of simplified procedures for expedited shipments.			2020	ANTA[1] SV CIPTI[2]	Training of authorities and operators;	State budget. Assistance of international partners.	Customs staff and private sector trained.
	Start a communication process with private environment and other stakeholders to inform them about special incentives for accelerated release of goods and criteria for accelerated release					Awareness campaigns for private sector to promote the programme implementation		Private environment and other stakeholders aware of new opportunities and incentives.

[1] National Agency for Auto Transport
[2] Center for International Transportation

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakesh Agreement	TFA Section and element	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
	Develop simplified customs clearance procedures of expedited shipments and ensure necessary conditions for quick and quality customs control.			2020	MF, SV	Develop IT modules for customs information system for simplified declaration of expedited shipments. Upgrade the customs infrastructure of mail clearance and furnish with special control equipment (scanners). Training of customs staff in risk assessment of mail. Exchange of experience with other states to implement good practices in the field.	State budget. Assistance of international partners.	Simplification and reduced time of clearance, expedited shipment
	12. Perishable goods							
	Review and amend, as applicable, the existing rules on important of perishable goods in a way that would: • allow quickest release; • ensure, as applicable, release outside the working hours of the customs;	Art. 7 (9)		2020	MF, SV, ANSA, ANTA	Legal and operational expertise to establish an accelerated release programme for	State budget. Assistance of international partners.	Existing procedures reviewed and amended, as applicable

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	UCC Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
	• give priority to these goods when scheduling the controls; • allow the storage of these goods in adequate conditions, if there are available installations approved by relevant authorities; • if possible and upon request, permit the release at the warehouses, and • oblige the authorities to provide the importer with a written explanation, upon request, when there is a significant delay in release of goods.					perishable goods (procedures, operational measures and agreements with companies).		
	Develop official agreements with companies, operational guidelines or standards, as applicable, to ensure cooperation and coordination of border authorities in control and release process of perishable goods			2020	ANSA ANTA SV		State budget.	Agreements with companies developed and implemented
	Simplify customs declaration and control of perishable goods.			2020	SV	Develop the simplified declaration module for the customs information system. Upgrade the infrastructure of customs points to create adequate conditions for priority control of perishable goods	State budget. Assistance of international partners.	Customs time and costs reduced

Urgency	Actions to be implemented	Impact of the Protocol Amending TIR Convention	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
	Develop the Regulation on road transportation of perishable goods and highly perishable produce		2018	MoT ANTA	Support to development of normative framework for road transportation of perishable goods and highly perishable produce	State budget. Assistance of international partners.	Normative framework for road transportation of perishable goods and highly perishable produce approved
	Procure a laboratory to verify technical parameters necessary to transport perishable goods and highly perishable produce and to certify road vehicles used to transport perishable goods.		2020	ANTA	Technical and financial assistance for procurement	State budget Assistance of international partners	Laboratory to verify technical parameters procured
	Train ANTA staff in road transport rules regarding perishable goods and highly perishable produce and exchange experience with countries that have implemented these practices.		2020	MoT ANTA	ANTA staff needs training in the field of road transportation of perishable goods and highly perishable produce	State budget. Assistance of international partners	ANTA staff trained
	Develop training programmes for personnel involved in the transportation of perishable goods (experts, managers and drivers).		2020	ANTA	It is necessary to develop a training programme and to train the teaching staff from learning centers	State budget. Assistance of international partners	Training programme approved: Qualified experts. Managers and drivers certified

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	TCT Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
	Develop an information system to monitor the transportation means acceptable for perishable goods and highly perishable produce, as well as access to information on transport means accepted by other states.			2020	ANTA	It is necessary to develop and update a database	State budget Assistance of international partners	Information system operational; Access to the national and international databases
6. Formalities related to import, export and transit	**13. Formalities and Documentation Requirements**							
	Analyse and minimize formalities; review, and update as appropriate the list of necessary documents for foreign economic operators.	Art. 10(1)		2019	SV BP of MIA[14] ANSA		State budget	Proper administrative procedures established
	Develop the review and update mechanism of the normative framework regarding the documentation necessary for import, export and transit.			2019	SV	Exchange of experience with other states	State budget Assistance of international partners	Draft legislative and normative acts developed and promoted
	Develop procedures for relevant information and good practices sharing with the Member States of the Marrakech Agreement Establishing the World Trade Organization, as well as the application of standards recommended by the World Customs Organization			2019	SV		State budget	Procedures developed. Information exchange ensured.

[14] Border Police of the Ministry of Internal Affairs

PROJECT

Chapter	Actions to be implemented	Article of the Protocol Amending Matrix&cc Agreement	EU Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
	14. Acceptance of Copies							
	Develop legislative and normative framework for accepting copies, documents for import, export or transit related formalities.	Art. 10 (2)		2019	MF SV ANSA ANTA	Exchange of experience with other states	State budget Assistance of international partners	Draft legislative and normative acts developed and promoted
	Develop and implement amendments to information systems of state authorities regarding the integration of mechanisms that allow the businesses to apply electronic signature on duplicate or electronic copies.			2020	ANSA ANTA	Technical assistance, IT support	State budget Assistance of international partners	Information systems amended and operational.
	15. Single Window - One Stop Shop							
	Implement TWINNING Single Window Programme	Art. 10 (4)		2020	SV ANSA ANTA BP or MIA		State budget. Assistance of international partners.	International trade related time and costs reduced
7. Freedom of transit	**16. Freedom of transit**							
	Implement New Computerized Transit System (NCTS) TWINNING Programme	Art. 11		2020	SV			Transit-related time and costs reduced
	Implement electronic and simplified			2020	SV	Develop customs		Transit-related time

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	EU Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
	transit procedures					information system for transit electronic declaration Upgrade the guarantee management module in customs information system Upgrade the customs infrastructure by equipping with Transit Fast Lanes and parking for transit vehicles (customs control areas)		and costs reduced
	Upgrade the Integrated Information System (IIS) of the Border Police (BP)			2020	BP of MIA	Technical support, ensure with equipment and devices, IT support.	State budget Assistance of international partners	IIS of BP upgraded adjusted and operational
	Improve the border crossing infrastructure by separating the lanes, providing for priority transit signs and equipment			2020	SV BP of MIA	Upgrade the border crossing points infrastructure	State budget Assistance of international partners	Border crossing time reduced
	17. Information about DCFTA Agreement							

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	EEC Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
	Increase efforts to inform the traders about the terms and implications of the Deep and Comprehensive Free Trade Area (DCFTA) with the European Union (EU): • Organize media campaigns and workshops to inform the traders about DCFTA and its implications; • Prepare explicative materials regarding the requirements towards the companies to be able to benefit from the advantages of DCFTA, new procedures to be enforced to govern the trade and progress registered in harmonizing the national system with the DCFTA requirements and its implications for regional and global integration		No. 2 (4)	2019	MoET		Assistance of international partners	Private sector informed
8. Electronic documents	**18. Promote use of electronic documents**							
	Extend the electronic declaration to all customs procedures and regimes		No. 4 (1)	2020	SV	Develop electronic declaration modules for all customs regimes in the customs information system. Promote electronic declarations among	State budget. Assistance of international partners.	Increase the share of electronic declarations for all customs procedures and regimes. Customs clearance time and costs reduced

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	TFC Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
						businesses through awareness campaigns and training courses.		
	Develop and implement the integrated information system e-ANSA for electronic permissive documents issuance and management in the national circuit of food safety-related documents (sanitary, veterinary, phyto-sanitary, etc.)			2020	ANSA	Technical support, IT support	State budget. Assistance of international partners.	Operational system. Reduced time and costs for permissive acts issuance.
	Inform the traders about the use of electronic documents procedure.			2020	SV. ANSA. ANTA.	Technical assistance. Develop guides. Deliver trainings and informative seminars.	State budget. Assistance of international partners.	Business environment trained, informed and ensured with accessible online informational resources (Guides, PDF, video, etc.).
9. Enhance institutional capacities in the field of trade facilitation	**19. Deliver intensive training courses for border control agencies**							
	Deliver intense training courses for border control agencies with regard to the most appropriate way of reconciliation of trade facilitation concerns by generating revenues.	No. 6		2020	ANSA. ANTA.	Methodological support, technical support	State budget	Training organized and delivered.
	Upgrade the conditions necessary for professional training and continuous learning of customs officers.				SV.	Develop the infrastructure and capacity of the Training Centre of Customs	State budget. Assistance of international partners.	Conditions for team training and building, development of institutional culture, exchange of

Chapter	Actions to be implemented	Article of the Protocol (including Memorandum of Agreement)	EU directive indicator	Deadline	Responsible institutions	Foreseen means and financial assistance needs	Financing sources	Expected results
						Officers (develop the infrastructure for a facility with favorable conditions for theoretical and practical training of customs officers, sportive, cultural and leisure activities, as well as international customs events. Control equipment for transport means, goods, documents		experience and enhancement of professional performance of customs officers created.
10. New legislative framework	**20. Approval of New Customs Code**							
	Develop and approve new Customs Code		No. 7	2018	MF SV		State budget	Customs Code approved
	Develop and approve the Regulation to implement the new Customs Code			2020	MF SV		State budget	Regulation on the implementation of new Customs Code approved
11. Customs	**21. Improve the customs value assessment process**							

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	ITC Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
value	Periodic review and update of combined nomenclature of goods in line with the Harmonized System Nomenclature in accordance with the provisions of HS Convention		No. 8	Annually	MoEI SV		State budget	Combined nomenclature of goods updated
	Monitoring and implementation of all recommendations and best practices of the WTO regarding customs value assessment into the national legislation.			2019	SV		State budget	Recommendations and best practices implemented
12. Risk management	**22. Risk Management**							
	Enhance capacities and develop the functionalities of Customs Integrated Information System regarding risk analysis.		No. 9 No. 19	2019	SV	Develop and implement modules of customs information system	State budget. Assistance of international partners	Increase the rate of green corridor clearance Reduce the rate of customs physical verification and verification of documents
	Implement the automated risk criteria and profile assessment and impact on system performance, allowing the monitoring of performance indicators from the Customs Integrated Information System				SV	Develop and implement modules of customs information system	State budget. Assistance of international partners	Enhance quality and efficiency of risk assessment products Reduce the share of physical and documentary customs controls
	Develop and implement analytical instruments and systems that allow for the quick identification of high risk transactions to ensure Integrated				ANSA ASEA	Technical assistance, IT support	State budget. Assistance of international partners.	Analytical systems developed and operational

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	EU's Reference	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
	Border Management.							
	Develop and implement an integrated information system e-ANSA for risk management in food safety field (risk criteria and profiles – veterinary, phyto-sanitary, and food safety).				ANSA	Technical assistance, IT support	State budget. Assistance of international partners.	e-ANSA system developed and operational.
13. Post-clearance Audit	**23. Post-clearance Audit**							
	Enhance the skills of the Customs Service in post-clearance audit based on automatized information system specialized in risk analysis and selection of companies for further control.		No. 11 (1)	2020	SV	Develop and implement automatized information system specialized in risk analysis and selection of companies for further control. Training and exchange of experience with customs bodies from other states in the field of post-clearance audit.	State budget Assistance of international partners	Enhance quality and efficiency of post-clearance audit
14. Reduce clearance costs	**24. Reduced Clearance Costs**							
	Review procedures related to customs mediation services provision (costs related to physical control of goods in customs control areas).		No. 12 (1) No. 1(2)	2020	SV	Carry out a cost-benefit analysis in the field of customs mediation services costs.	State budget Assistance of international partners	Reduce clearance costs

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	ECE Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
						Analysis and replication of customs practices from other states		
15. BCP infrastructure development	**25. Develop border crossing points and upgrade customs infrastructure**							
	Enhance the capacities of customs points	No. 14 No. 15		2020	SV ANSA	Reconstruction and upgrade of customs posts infrastructure to extend the access road, number of lanes, including Fast Lane for AEO and transit, modern control equipment, scanners, construction of physical customs control areas, install video monitoring systems, electronic informative screens)	State budget. Assistance of international partners.	Border crossing time reduced. Quality of services provided by the Customs Service, ANSA, and Border Police enhanced. Enhance the level of satisfaction of businesses with the services provided by the customs authority and other border agencies.
	Review the legal framework for customs brokers in order to align the	No. 16		2020	MF	Taking over the practices of	State budget.	Enhance the quality of services of

Chapter	Actions to be implemented	Article of the Protocol Providing Movement of Agreement	EU Assessment evaluation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
	activities of the competent customs authorities with the international practices.				MoEI SV	other states in the field of authorizing the customs broker and training of specialists in the field of clearance.	Assistance of international partners	customs brokers.
	26. Develop logistic and multi-module facilities that should benefit from priority treatment							
	Carry out feasibility studies to analyze and identify public-private partnership solutions to develop logistic and multi-module facilities in the Republic of Moldova in accordance with the best practices of the EU and other international partners.	No. 23	Period ic		MoEI MF MADRM And subordinated agencies		State budget. Assistance of international partners.	Feasibility studies completed. Solutions regarding public-private partnership identified.
	27. Establish proper consigner system							
	Analysis and assessment of opportunity and impact regarding the establishment of proper testing, training, licensing, accreditation and monitoring systems of consigners	No. 24	2018		MoEI	Technical assistance.	State budget. Assistance of international partners.	Opportunity and impact of the system on the business analyzed and assessed.
	Develop relevant legislative amendments to apply the testing, training, licensing, accreditation, and monitoring mechanisms of consigners.		2019		MoEI	Technical and legal assistance.	State budget. Assistance of international partners.	Legislative amendments developed, approved and published.
16. Implement joint control of goods at the border	**28. Implement joint controls of goods at the border with neighbouring countries**							
	Develop measures for mutual recognition of customs controls between the Customs Service of the	No. 21	2019		SV		State budget	Reduce border crossing time.

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	ECL Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
	Republic of Moldova and similar authorities from other states.							
17. Technical regulations	**29. Consolidate national technical regulations development processes**							
	Intensify capacity building efforts in the field of technical regulation development through specific training courses.		No. 25		MoEI		State budget	
18. Standardization	**30. Strengthen national standardization processes**							
	Involve the regulatory authorities in cancelling the standards that are in conflict with the European standards		No. 27	2018	Regulatory authorities; ISM[15]	Within budget allocations	State budget	Conflicting standards cancelled.
	Improve the standardization knowledge of stakeholders: Organize events to enhance the knowledge of stakeholders; Organize training courses; Develop informational materials.			2017	ISM	Within budget allocations	State budget	Stakeholders trained.
	Increase the participation in activities of European and international standards setting organizations. Progressive fulfillment of requirements of full fledged member			2018	ISM	Within budget allocations	State budget	100% of European and international standards examined.

[15] Institute for Standardization of Moldova

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	EEC Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
	of European Standardization organizations (CEN-CENELEC).							Requirements met.
19. Conformity assessment	**31. Competence building of the National Accreditation Centre (MOLDAC) in new fields**							
	Certify persons and organizations responsible for verification and on-going capacity building.	No. 28		2020	MOLDAC	Technical assistance, trainings.	State budget Assistance of international partners	Certifications provided. Training delivered.
	Extend MOLDAC skills in new accreditation fields/sub-fields: Organizer of national competence tests PT/ILC (ISO/CEI 17043). Conformity Assessment Entities to verify greenhouse gas emissions (ISO 14065). Forensic Conformity Assessment Entities (ISO/CEI 17020; ISO/CEI 17025). Personnel Certification Bodies (ISO/CEI 17024). Implement New Approach Directive (for medical devices, lifts, etc.) Implement new conformity assessment schemes recognized at regional and international level. Theoretic training of assessors in new accreditation areas within MOLDAC delivered by experts from National Accreditation Bodies that are signatory				2020	MOLDAC Regulatory authorities OEC accredited	Develop accreditation to increase product and service competitiveness, remove trade barriers. Promote European and international recognition of accreditation and results of product and service compliance results at national level. Institutional development of National Accreditation Institute by aligning it to the European	State budget Assistance of international partners	Necessary policies and procedures adopted Competent staff. OEC accredited in mentioned fields Free circulation of products Free access to necessary information foreseen in the legislation, as well as streamlining its access

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	ECC Recommendation	Details etc.	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
	parties to the Multilateral Recognition Arrangements on European Cooperation for accreditation.					standards. Economy of financial resources of OEC having the possibility to participate in national PTHC.		
	Participate as observers in the evaluation of new fields in other National Accreditation Entities that are signatory parties to the Multilateral Recognition Arrangements on European Cooperation for Accreditation.					Monitoring and reporting area and reporting of greenhouse gas emissions in accordance with the Directive 2003/87/CE of the European Parliament and Council.		
	Train head evaluators/technical evaluators within MOLDAC for new mentioned fields.					Enhance competitiveness of local products/services at national and regional level		
	Engage technical evaluators for the new fields from other National Accreditation Bodies that are signatory parties to the Multilateral Recognition Arrangements on European Cooperation Accreditation.					Harmonize national technical legislation with European legislation		
	Develop SM documents for accreditation in new fields.							
	Assistance in translating the EA/IAF/ILAC Documents applicable to specified fields.							

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	EU Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
	32. Continuous improvement of accreditation procedures and processes							
	Transparency of National Accreditation Organization (ONA): - Inform all stakeholders about the activities of National Accreditation Centre - MOLDAC through the Accreditation Information System. - Promote good perception of ONA activity in the society by printing leaflets, activity reports, organizing accreditation promotion activities.	No. 29	2020	MOLDAC	Technical assistance. Informative seminars and promotional activities	State budget Assistance of international partners	Enhance the trust of stakeholders in MOLDAC activity. Inspire the consumers to trust the products or services accompanied by certificates issued by accredited OEC of ONA
	33. Further development of Conformity Assessment Bodies within Government Agencies							
	Provide ANSA and Customs Service with modern testing equipment and expertise knowledge on how to apply international and or European standards and or technical Regulations.	No. 30	2020	MSMPS SV. ANSA	Technical assistance. Testing equipment. Training.	State budget Assistance of international partners	OEC developed. Testing equipment provided. High quality and conformity with the international standards of services provided to business environment ensured.
	Equip the laboratories with certified reference materials.				Technical assistance.		Certified reference materials provided.
	Provide OEC with necessary financial resources to attract and keep the qualified personnel to obtain necessary goods.				Technical and financial assistance.		Qualified and trained personnel provided.

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	TCF Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
						Training.		
	Streamline existing reporting systems in laboratories of the ministries.					Methodological and technical assistance.		Reporting system enhanced.
	34. Further development of market oversight function							
	Carry out actions to develop and implement National Information and Communication System for market Oversight (for non-food produce)		No. 31	2020	MoEI APC[16]	IT support, training of personnel	Assistance of international partners	Information system implemented
	Improve the institutional capacity for the National Information and Communication System for market Oversight (for non-food produce) management			2020	MoEI market oversight authorities SV	Training	Assistance of international partners	Staff of market oversight authorities and of the Customs Service trained
	Provide the Agency for Consumers' Protection and ANSA with necessary financial resources to attract and keep the qualified personnel in all fields, including in the new areas.			2020	APC ANSA	Sufficient financial assistance, equipment and IT to remunerate and equip the staff, including the newly hired personnel for foreign internships and implementation of best practices	State budget. Assistance of international partners	Staff hired. Qualified personnel hired.

[16] Agency for Consumers' Protection

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	EU Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
						of the EU.		
	Provide the APC and ANSA staff with advance training in different aspects of the EU requirements.			2020	APC ANSA	Organize trainings	State budget. Assistance of international partners.	Internal and external training delivered. Personnel trained. Overseas internships completed. Qualified personnel.
	Finalize the preparations for launching early alert system for food and feeds (SRAAF)			2020	ANSA APC		State budget. Assistance of international partners.	SRAAF developed, implemented and operational.
	Enhance the knowledge of companies in their public relations with consumers			2020	APC	Technical assistance, seminars on best practices of the EU for on-going counseling information of companies	State budget. Assistance of international partners.	Consultation visits. Roundtables. Awareness campaigns. Mass information sources: billboards, ads, leaflets, mass-media. Companies informed.
35. Obtain International Recognition of Metrological Competence								

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	ECE Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
20. Metrology	Further development of quality management system of the National Metrology Institute (INM) in accordance with SR EN ISO 9000: 2006 and furnish a quality management center and research facilities in four areas of metrology: physical measurements, material measurements, chemical measurements and analytical measurements.		No. 32	2020	INM	Technical assistance, equipment and facilities.	State budget. Assistance of international partners.	Quality Management System developed within INM. Equipment and facilities delivered.
	Furnish the National Metrology Institute laboratories with modern technical calibration equipment in the following fields of measurement: • Acoustic pressure • Vibrations • Force • Hardness • Dosimetry • Refractometer • Measurement of electric power and electric energy • Atomic absorption • Prepare reference materials.			2019	INM	Technical and financial assistance is required.	State budget. Assistance of international partners.	Equipment received; Measurements recognized by publishing CMC tables or through accreditation.
	Calibration of procured equipment to ensure traceability with International Unit System (SI)				INM	Technical and financial assistance is required.	State budget. Assistance of international partners.	Calibration certificates obtained
	Establish a new Conformity				INM	Technical and	State budget.	OEC established

Chapter	Actions to be implemented	Article of the Protocol Amending Marrakech Agreement	ECT Recommendation	Deadline	Responsible institutions	Foreign technical and financial assistance needs	Financing sources	Expected results
	Assessment Body (OEC) based on European Standard *SM SR EN ISO/CEI 17043:2011 Conformity assessment. General requirements for proficiency testing* and its accreditation by a well-known accreditation body.					financial assistance is required.	Assistance of international partners.	and accredited; Proficient testing at national level

Annex

ECE Recommendations for removing regulatory and procedural barriers to trade in the Republic of Moldova

Area	*Recommendations*
Transparency	1. **Consolidate public-private sector consultative mechanisms**. 1.1 Assign the responsibility for supporting public private consultations to a single agency. The agency could serve as the national trade facilitation committee in fulfillment with the Agreement on Trade Facilitation. In assigning the single agency, the emphasis should be on capitalizing on existing mechanisms as opposed to establishing a new mechanism/ institution from scratch. 1.2 Establish a reference framework for guiding discussions on the removal of non-tariff barriers. The reference framework should go beyond addressing customs and at the border issues to target behind the border bottlenecks (especially those stemming from shortfalls in the quality assurance system), and involve special emphasis on addressing the obstacles created from the interplay between behind and at the border issues and concerns. The ECE trade facilitation roadmap guidelines provide useful parameters in the area of trade facilitation. **2. Bolstering the information dissemination function** 2.1 Develop the institutional websites of all State agencies, so that they could provide up to date information on applicable regulations, procedures and price lists pertinent to their respective areas. Related to this are internal orders, particularly the Moldovan Customs Service internal orders that were singled out by traders. The Moldovan Customs Service internal orders should be streamlined and published on time. 2.2 Consider establishing a trade portal, which provides more detailed information on trade related rules and procedures, particularly in relation to their links to regional agreements and implications for both productive and trade activities. The private sector must be able to access, in one place, comprehensive information about existing trade-related requirements; consequential changes to legislation, regulations, procedures, fees and forms; the timing of these changes; the areas in which no change will be required and their implications. 2.3 Consider establishing call centres and help desks in key market support institutions and State agencies to assist traders in gaining a proper understanding of applied rules and regulations and their implications. The help desks should be equipped these with the required expertise skills, ICT tools and training materials to help them guide the traders. 2.4 In parallel, there is a need for awareness raising effort to familiarize traders with the terms and implications of the Deep and Comprehensive Free Trade Area (DCFTA) with the European Union (EU): (i) organize media campaigns and mobilization workshops to familiarize traders with the DCFTA and its implications; and, (ii) prepare explanatory materials on the requirements that the enterprises need to meet to reap benefits from the DCFTA , the new procedures that will be set in place to govern trade and the progress made in bringing the national system up to the DCFTA requirements and the implications of these for regional and global integration.
Information requirements and trade documents	**3. Address instances of repetitive submission of documentary requirements, including those associated with commercial exchange between the two banks of River Nistru** The information requirements and support documents for each trade certificate/license should be reviewed, with a view to: (i) maintaining only those support documents that provide direct and pertinent information for the certificate/license in question; and (ii) ensuring that all support documents are submitted only once. An immediate step for guiding this reform measure would be to conduct a detailed examination of inter-agency procedures and associated documentary requirements using the business process analysis. **4. Promote the increased use of e-documents:** 4.1 Further develop the ASYCUDA *World* system to allow for extending online submission of customs declarations to other customs

Area	Recommendations
	regimes such as transit, warehouse, temporary admission, processing and free zone. 4.2 Establish training programmes for familiarizing traders with the use of e-documents. 4.3 Further develop the customs brokerage industry (see below) 5. **Further develop the existing system of testing laboratories.** This will reduce the waiting time and costs associated with obtaining conformity and quality certificates (see recommendations below).
At the border control and customs clearance	**6. Provide intensive training for border control agencies on how best to reconcile trade facilitation concerns with revenue generation.** 7. **Revise the customs code to ensure harmonization with the Union Customs Code (UCC) of the EU.** This will be essential for guiding key reform efforts (e.g., the Authorized Economic Operator-AEO-scheme which is being developed by Customs and the migration to a paperless trading environment as the UCC provides for mutual recognition of AEO Certificates) and for addressing a number of issues raised by transport operators (e.g., the transit times for TI consignments imposed by customs which was seen as arbitrary). In 2017, the Government was in the process of drafting a new Customs Code, and this effort should be accorded priority by international development partners. Assistance should be also provided for supporting the drafting of provisions for implementing the new Code, including secondary customs legislation that is fully harmonized with the EU provisions. 8. **Improve the customs valuation process**: 8.1 The Moldovan Customs Service (MCS) should ensure that tariff classification of goods is determined through the use of the General Rules of Interpretation and the Legal Notes to the Harmonized System (HS) Nomenclature, as required under the HS Convention. 8.2 The national customs tariff system (TARif vamal Integrat al republicii Moldova- TARIM) should be regularly updated to reflect changes to technical and other non-tariff measures 8.3 Further mechanisms should be established to ensure strict application of the World Trade Organization (WTO) rules on Customs Valuation,[17] and develop customs advance rulings service. **9. Undertake a thorough review of the risk parameters and profiles in the Customs Integrated Information System.** The aim should be to ensure a prompt, meaningful and lasting overall increase in the percentage of cargo assigned to the green channel, and a decrease in that assigned to the red channel. The review should be conducted with the principles of trade facilitation in mind: (i) high risks should be justified with concrete historical data; and, (ii) local risk profiles should be developed for individual customs control points to reflect the specific control environment at each, and the results of their practical application should be progressively used to update and adjust the central risk management system. Particular importance should be given to the development of information systems that would allow for analyzing data and creating efficient risk analysis tools. A pre-arrival information exchange with transport companies should be established as well as the concept of segmentation of traders.

[17] Existing legislation integrates the principles of the WTO Valuation Agreement (See Customs Code of the Republic of Moldova) and provides for uniform and transparent rules for determining customs value (See Government Decision No. 974 of 15 August 2016 approving the Regulation on the Declaration of Customs Value of Goods which establishes uniform and transparent rules for determining customs value that are consistent with the EU legislation)

Area	*Recommendations*
	10. **MCS should be assisted to further develop the AEO scheme,[18] with a view to issuing full approvals incorporating customs simplifications for reliable traders.** Safety and security approvals, especially for transport operators, forwarders, and agents, have little or no impact on trade facilitation. 10.1 The emphasis should be firmly placed on risk management, with measures put rapidly in place to select and approve AEOs properly, thus giving real assurance that their cargo can be subjected to minimal intervention at the frontier and inland, with subsequent post-clearance controls to ensure compliance, and re-appraise risk. 10.2 The MCS should be supported in its efforts to implement Mutual Recognition of AEO program with EU, CEFTA and other key economic partners in accordance with the World Customs Organization (WCO) Framework of Standards to Secure and Facilitate Global Trade (SAFE). 10.3 The MCS should be assisted in developing procedures for simplifying customs declaration, including simplified declarations and incomplete declarations. Such procedures will allow economic operators to submit customs declarations in a simplified format with less data requirements. 11. **In parallel with the development of the AEO scheme, the MCS should be supported in its efforts to:** 11.1 **Further develop its post-clearance audit**, as this will allow for undertaking systems-based trader audits and, thereof, considered examination of the commercial processes and systems that lie behind the customs duty declared at importation; and then to use the findings to review previous risk-based judgments, and if necessary adjust the parameters in the risk management system. This is a more holistic approach; a more reliable means of controlling tariff classification and declared value; and provides concrete incentives for voluntary compliance on the part of traders. 11.2 **Develop and implement the pre-arrival declaration procedure** **12. Reduce at the border charges** 12.1 Measures should be introduced so that no charges are raised for loading/ unloading and handling at border crossing points (BCPs) and inland control points (ICPs). In this respect, it is important to examine the costs/effectiveness of the current services, whereby the MCS, which does not have its own facilities for cargo examination, uses commercial premises. 12.2 The routine weighing of goods vehicles on entry and exit from the Republic of Moldova, for a charge, should cease if the carriers have valid IVWC for the journey in question.

[18] As stipulated in Law No.281 of 16 December 2016 on amending and supplementing certain acts, the AEO concept is fully in line with the authorization procedure established under the UCC of the EU.

Area	Recommendations
	13. **Adopt a gradual approach to Single Window (SW) development**[37] The experiences of other countries show that unless developed within the context of a systemic approach with implementation sequenced to correspond to national capacities, the SW facility will be of limited benefits to traders. Below are the main elements of such an approach: - Create an inter-agency coordinating committee to oversee the design and implementation of the SW facility. - Conduct detailed business process analysis within and across the State agencies involved in supporting export and import activities. The analysis should focuses on: (i) document flow; (ii) data flow and data harmonisation issues; (iii) and, the regulatory requirements of each SW agency; (iv) and, the administrative procedures for issuing trade documents. - Remove all documents, which serve little real purpose and could be eliminated to help streamline the clearance process. - Align all existing trade documents, including support documents, into a single electronic form. This exercise has to be undertaken in each agency, and followed by a similar exercise to assess the possibility of further harmonization among the different documents. - Next, a paperless electronic documentation system has to installed in each agency, and ensure interoperability amongst the numerous information platforms of the State agencies. - In parallel to the above, provide advanced training for staff on electronic business standards (such as the UN/CEFACT eBusiness standards) - Conduct a feasibility study to establish the IT needs (including management information systems and hardware equipment) of the Customs and other Single Window agencies. - Based on the above, establish a general conceptualization of the SW facility, including the basic elementary components in consultation with Customs and the SW agencies. This exercise is important as it will provide the Government with a reference document to guide decisions on the detailed technical features of the SW facility. - Implementation should be phased and could start with the development of some elementary basic components, in order to provide solid grounds for full implementation at a later stage. In particular, the first phase should focus on developing a pilot SW or a "Trust Model" (i.e. foundations of the platform to provide digital certificates and electronic signatures). During the first stage, the SW could cover trade of the goods which are subjected to the customs, transport, veterinary, phytosanitary and sanitary inspections. During the second stage second stage of the project the SW will cover trade in goods of all types. Alternatively, the government may consider including certain agencies during Stage I, leaving the task of connecting the remaining agencies during stage II.

[37] A SW is "a facility that allows parties involved in trade and transport to lodge standardized information and documents with a single entry point to fulfil all import, export, and transit-related regulatory requirements. If information is electronic, then individual data elements should only be submitted once". See UN/CEFACT (United Nations Centre for Trade Facilitation and Electronic Business) Recommendation No. 33. The proposed steps build on UN/CEFACT Recommendation on the establishment of single window facilities (No.33), data simplification and standardization for international trade (No. 34), and, establishing a legal framework for international trade single window (No. 35).

Area	Recommendations
	14. **Consider a more focused approach to the development of border crossing points**. Rather than spreading efforts too thin, concentrate in the short term on: 14.1 Widening entry access and providing parking space away from the traffic lanes, as an immediate measure for reducing congestion and queues. 14.2 Improving traffic management through (i) the proper segregation, into separate lanes, of trucks, buses and cars; and (ii) providing a 'fast track' lane, from the point of entry to the BCP, for trucks carrying consignments of transit and AEO goods; and, (c) the introduction of non-intrusive inspection equipment, as one means of reducing the requirement for physical examination of goods.
	15. **Intensify efforts to modernize customs infrastructure** 15.1. Equip at the border and internal customs posts with basic facilities for conducting control functions; modern information technology (IT) systems (hardware and software); and, non-intrusive control equipment (scanners, video surveillance system). 15.2 At the same time, additional support is needed to ensure the management, record-keeping, maintenance and assessment of the modern control equipment and IT systems. This is important for enhancing efficiency.
Further develop the brokerage industry	16. **A proper system for testing, training, licensing, accrediting, and monitoring customs brokers should be put in place**.
Transit trade	17. **The existing MCS practice of routinely controlling transit traffic at border crossing points (BCPs), whether it is passing through the country or destined for an internal crossing point (ICP) under the internal transit procedure, should cease**. Transit documents should be examined and truck seals broken and re-scaled only in cases where a high risk has been properly assessed.
	18. **The arbitrary internal transit times for consignments should be relaxed**, and be guided by a detailed methodology that allow for proper consideration of the different factors influencing journey times and diversion risk levels.
	19. **MCS controls over transit traffic should be risk-based and selective**. The introduction of the EU's New Computerized Transit System in due course, and eventually a facility which permits advance declarations of cargo data, will make the process of risk management much easier, but these are not pre-requisites. Immediate measures need to be taken to ensure consistent application of the TIR Convention and implement selective control over high-risk transit cargo. Trucks could be allowed to proceed through BCPs using separate 'fast track' lanes, as those belonging to AEO operators. A similar risk-based, selective approach to the control of internal transit traffic should be adopted along with the used of sealed 'safe packages' for the accompanying transit documents.

Area	Recommendation
	20. **Transit trucks should be allowed to proceed through BCPs using separate 'fast track' lanes**, as those belonging to AEO operators are allowed to do. Selective control over transit cargo properly assessed as high-risk should be the norm.
	21. **Routine MCS checks on outbound cargo at the border with Romania, which are subsequently repeated at importation on the other side of the border, should be progressively** withdrawn in favor of joint cargo controls similar to those exercised at Moldova's border with Ukraine. In the long term, the MCS and its counterpart service in Romania should be encouraged to develop arrangements for the mutual recognition of customs controls.
	22. **Accord priority to linking ASYCUDA *World* system to the EU New Computerized Transit System**, since ASYCUDA *World* is fully operational nationwide and has a built it transit module.[20]
Transport and logistical services	23. **The development of multi-modal logistics and facilities should be accorded priority treatment.** This is an area that is being relegated secondary importance at a time when even the most modest intervention could bring about immediate results.
	24. **A proper system for testing, training, licensing, accrediting, and monitoring freight forwarders should be put in place**. The administration of the scheme should be given to a suitable representative body, subject to independent external accreditation (e.g., by the International Federation of Freight Forwarders Associations). Freight forwarders' licenses should be renewable annually, subject to satisfactory performance.
Technical regulations	25. **Strengthen national technical regulations development processes** 25.1 Intensify capacity-building efforts in the area of technical regulation development through targeted training courses. The courses should be geared to develop the skills of new comers as well as existing staff, and feature a combination of specialized, individual courses for policy makers and regulators and generic courses that correspond to the common interests and needs of the two groups. 25.2 Consider reviewing existing institutional arrangements to ensure simultaneous and equal involvement of regulators and those responsible for regulatory impact assessment in the development of technical regulations. 25.3 Consider establishing technical exchange and collaboration arrangements with partners in EU countries to support of the technical regulations development functions. Such arrangements could include, among others, collaboration in drafting technical regulations, on the job training for the relevant staff and the exchange of information in the form of technical reports, visits and joint experts meetings.

[20] ASYCUDA is the United Nations Conference on Trade and Development (UNCTAD) web-based Automated System for Customs Data [illegible] backbone for the Customs Integrated Information System (CIIS).

Area	Key recommendations
	26. Strengthen regulatory impact assessment (RIA) processes 26.1 Consider outsourcing RIA to private research centers and universities. While this option will create additional pressures on the public purse, it is critical since the preparation of technical regulations is a complex undertaking that requires multidisciplinary skills that are not and cannot be made available within competent authorities. If properly structured (e.g., on the job training to competent authorities, ensuring that RIAs are conducted in collaboration with the relevant staff), outsourcing could bring new methods and additional knowledge. 26.2 Accord priority to developing a methodology for guiding the regulatory impact assessments on micro enterprises and SME's. 26.3 In parallel, consider establishing a centralized body for impact assessments, and equip it with expertise skills in the areas of industrial economics, cost-benefit analysis, EN standards and the different aspects of EU safety, health and environmental protection requirements. The centralized body, which could be placed under a line Ministry, should have its own training facility and operate according to a business plan that would allow it to achieve a certain degree of self-sufficiency.
Standardization	**27. Strengthen standard setting processes with expertise skills** 27.1 Assist the national Standardization Institute (NSI) in its efforts to withdraw old standards (Commonwealth of Independent States interstate regional standards -GOST-) that are not consistent with the state of the art and are irrelevant to the country's market. 27.2 In parallel to the above, consider creating a training facility on standardization processes within NSI, and equip it with sector focused rigorous training materials targeting the enterprise sector. This will ensure continuous training and responsiveness to national needs. In this respect, UCE Working Party on Regulatory Cooperation and Standardization Policies (WP.6) recommendation Education on Standards-Related Issues (Recommendation I) is of direct relevance. 27.3 NSI should be supported to intensify its participation in the work of European and international standard setting organizations and achieve full membership in these organizations.
Conformity assessment	**28. Develop the competence of the National Accreditation Centre (MOLDAC) in new areas, including:** 28.1 Certification of persons and verification bodies and further improve existing competences as follows: – Proficiency testing according to the general requirements for the competence of providers of proficiency testing schemes and for the development and operation of proficiency testing schemes (ISO/IEC 17043). – Verification bodies according to the principles and requirements for bodies that undertake verification of greenhouse gas (GHG) assertions (EN/ISO 14065:2013). – Inspection according to the requirements for the competence of bodies performing inspection and for the impartiality and consistency of their inspection activities (ISO/IEC 17020:2012). – Product certification according to the requirements for bodies certifying products, processes and services (EN ISO/IEC 17065:2012). 28.2 Product certification bodies. New accreditation schemes are needed to allow for covering all the products under the European Cooperation for Accreditation (EA) Multilateral Recognition Arrangement (MLA). **29. Further improve accreditation procedures and processes** Improve accreditation schemes by line Ministries to ensure compliance with international best practices, with a special emphasis on allowing for withdrawing certificates in cases of non-compliance and on ensuring the independence of the accreditation processes. **30. Further develop conformity assessment bodies (CABs) under government agencies**

30.1 The National Food Safety Agency (ANSA), the Ministry of Health and Customs as well as the newly established SE National Centre for Verification and Certification of Vegetable Products and Soils need to be equipped with modern testing equipment and expertise knowledge on the application of international and or European standards and technical regulations. In the case of ANSA, training should feature a focus on consolidating overall administrative management systems and ensuring robust the monitoring and auditing of the activities throughout the country.
30.2 Equip laboratories with certified reference materials.
30.3 Equip CABs with the required financial resources to attract and retain qualified staff and obtain the required supplies. In this respect, reconsider the requirement of transferring 50 percent of the laboratories' internal revenues to the public purse.
30.4 Streamline existing reporting systems for laboratories which operate under line Ministries. For example, the laboratories could report to one line Ministry only, which could, in turn, report to the Ministry of Finance.

31. **Further develop the market surveillance function**
31.1 Equip the Consumer Protection Agency (CPA) and NFSA with the required financial resources to attract and retain qualified staff.
31.2 Provide CPA and ANSA staff with advanced training on the different aspects of EU requirements, particularly those established under the hygiene package and the general requirement of putting in place a liability system for defective products.
31.3 Complete the preparations for launching the Quick Alert System for Food and Feed (SRAAF). In particular, ratifying the law for establishing the system and developing the capacities of the different agencies that will be linked to it, including the Ministries of Agriculture and Food Industry Ministry, Health, Interior Ministry, Customs Service, CPA and the ANSA. These agencies should be equipped with the required IT capacity and expertise knowledge on the EU safety rules and requirements.

Metrology

32. **Obtain international recognition of metrological competence,** as this is fundamental to international acceptance of test results.
32.1 It is reasonable and prudent to accord priority to achieving competencies that best serve existing goods and services and potential industries with high export potential. Resources should be made available to achieve these competencies and should be complemented by efforts to further develop legal metrology to cover all base units, starting with those related to priority sectors.
32.2. Further develop the quality management system of the National Metrology Institute (NMI) in accordance with SR EN ISO 9000: 2006, and equip it with a quality management center and research facilities in the four areas of metrology, including engineering measurement, physical measurement, material and chemical measurement and analytical instrumentation measurement.
32.3 Consider diversifying NMI services to allow for achieving a certain degree of self-sufficiency. This is important for enabling the institute to retain qualified staff.

Regional integration

33. **In the short term, it would be more conducive to maintain the existing free trade area (FTA) arrangements with the EU and CIS, while scaling up the trade agreement with CIS through including additional deep integration provisions.** Joining either block sometime in the future, once enterprises are capable of fulfilling market entry requirements in quality and safety and once regulatory and procedural trade barriers are removed, would bring more benefits.
The Government considers the DCFTA with the EU, the FTA with CIS, the Central European Free Trade Area and the FTA signed between the Republic of Moldova and Turkey as complementary cooperation arrangements, which, together, provide the country with the opportunity to establish a conducive environment for business development, investment attraction, and consolidating a development hub between the east and west. The Republic of Moldova is also examining emerging opportunities from establishing cooperation arrangements with other market such as China, Egypt and the European Free Trade Association (EFTA) countries.

Enterprise development

34. **Further improve clustering initiatives for supporting the development of the existing free economic zones and industrial parks in the Republic of Moldova.** These initiatives should be geared towards fostering vertical collaboration as well as horizontal

Type	Recommendations
	cooperation between enterprises operating at the same (or similar) stages in the production chain. To ensure sustainability, the initiatives need to be hosted in market support institutions and complemented by linkages programmes to integrate the networks with regional value chains. Such programmes should target both labour-intensive industries and those with technology intensive activities and could be tailored to create: (i) horizontal collaboration, such as sharing the costs of expensive equipment or research and development; (ii) vertical collaboration through facilitating the decentralization of the production process; and or (iii) exchange of information on technology and common problems.
	35. Consider launching investment retention (aftercare) programmes to retain existing local investments
	36. Establish guarantee credit schemes for facilitating small and medium enterprises (SMEs) access to external sources of finance. Commercial banks are risk averse by definition and will always consider SMEs as un-credit worthy
Agri industries	**37. Launch targeted technical assistance programmes for food producers to enable them to implement the Hazard Analysis and Critical Control Points (HACCP) and the Good Manufacturing Practices (GMP) principles.**
	38. Launch targeted, sector- focused programmes to develop the productive capacity of farmers and industries. Priority should be accorded to those involved in cultivating/processing products that are subject to transitional periods for trade liberalization with the EU, including: pasta, pepper, corn (three years); cheeses, vegetables (tomatoes, cucumbers, etc.), fruits (cherries, nectarines, raspberries, wines, juices, jams) and bakery products (five years); and milk, meat and fresh cherries (ten years). In this respect, the recently launched European Neighbourhood Programme for Agriculture and Rural Development (ENPARD) constitutes an important step in this direction.[3] Interviewed stakeholders noted that the strength of this programme lies in its balanced emphasis on capacity building and public-private sector consultations, noting that this will contribute to familiarizing farmers, producers and civil society organizations with the ongoing reforms and ensuring targeted interventions that address the particular concerns of communities in the different regions. Such programmes could also feature an emphasis on familiarizing traders with the ECE Working Party on Agricultural Quality Standards (WP.7), which covering a wide spectrum of products under the following clusters: fresh fruit and vegetables (FFV); dry and dried produce (DDP); seed potatoes; meat, eggs and egg products; and cut flowers.

[3] In 2016, the Republic of Moldova ratified the bilateral agreement with the European Commission for receiving €64 million to support agricultural policy under the European Neighbourhood Programme for Agricultural and Rural Development (ENPARD). The programme is geared to support the modernisation of agri-food and food chains, policy dialogue, and public services in rural areas. Implementation commenced late 2016, after much delays. Further information is available at: http://eeas.europa.eu/archives/delegations/moldova/documents/press_corner/press_release_enpard_final_25.03_en.pdf

United Nations ECE/CTCS/2018/7

Economic and Social Council

Distr.: General
6 April 2018

English
Original: English and Russian only

Economic Commission for Europe

Steering Committee on Trade Capacity and Standards

Fourth session
Geneva, 3-4 May 2018
Item 5 of the provisional agenda
Country follow-up to ECE studies on regulatory and procedural barriers to trade

Follow-up on Economic Commission for Europe countries studies: Kazakhstan

Summary

This report was prepared by the secretariat to brief member States about Kazakhstan's follow-up to the ECE study on regulatory and procedural barriers to trade in the country.

The report is presented to the Steering Committee on Trade Capacity and Standards for decision.

GE.18-05376(E)
1805376

Please recycle

I. Introduction

1. In 2014, the ECE carried out a comprehensive survey-based assessment of regulatory and procedural barriers to trade in Kazakhstan, with a view to supporting the Government's efforts to increase the trade sector's contribution to export diversification and sustainable growth. The findings were published in a study, which featured detailed action-oriented recommendations that were borne out of consultations with public and private stakeholders.[1]

2. A consistent theme running through the study was the lack of up-to-date information on trade-related regulations. Even though the laws are published on several State agencies' websites, traders found it difficult to keep abreast of legislative reforms, applied regulatory requirements and associated administrative procedures. Traders reported that they had to piece together information from different sources, with the consequence of assuming additional transaction costs in the form of delays. For small enterprises, such delays often acted as a disincentive to exports.

3. Moreover, published information was invariably in Russian and, therefore, incomprehensible to a significant segment of partner countries. Buyers and suppliers from these countries had no means to establish an understanding on the country's regulatory requirements, beyond the information obtained from trade promotion institutions and missions abroad.

4. To address this shortfall, the ECE assisted the government in establishing a comprehensive database of applied non-tariff measures (NTMs) using the internationally recognized United Nations Conference on Trade and Development (UNCTAD) administered Multi-agency Support Team (MAST) classification system. The database was consolidated by a national team of experts from the Ministry of National Economy.

5. The team passed UNCTAD's online training course on the use of the MAST classification system, which was followed by an intensive face-to-face training course in Geneva, Switzerland over the period 22-24 March 2017. The team members also received on the job training over the period May-October 2017, during which they compiled the database under the supervision of the UNCTAD regional expert.

6. The NTM database was validated during a National Stakeholder Meeting that was held at the Ministry of National Economy in Astana, Kazakhstan on 21 February 2018. The database will be used by the Government to strengthen its information dissemination function, and will be integrated into UNCTAD's Trade Analysis Information System (TRAINS).[2] This report provides an overview of Kazakhstan's NTM database.

II. Overview of Kazakhstan's non-tariff measures

7. Kazakhstan's NTMs totalled 604 in December 2017, of which 374 measures (or around 61.8% per cent) were approximated to those of the Eurasian Economic Union[3] by

[1] https://www.unece.org/tradewelcome/studies-on-regulatory-and-procedural-barriers-to-trade.html

[2] TRAINS features tariff and non-tariff measures as well as import flows by origin for more than 150 countries at the most disaggregated level of Harmonized System (HS). The data can be accessed at: http://unctad.org/en/Pages/DITC/Trade-Analysis/Non-Tariff-Measures/NTMs-Data.aspx

[3] In 2017, the Eurasian Economic Union membership comprised of Armenia, Belarus, Kazakhstan, Kyrgyzstan and the Russian Federation. The Union was established pursuant to the Treaty on the Eurasian Economic Union that was signed by Belarus, Kazakhstan and the Russian Federation on 29 May 2014 and entered into force on 1 January 2015. Armenia and Kyrgyzstan signed separate treaties to accede the Union

implementing the Union's harmonized legislation (i.e., the common technical regulations) and integrating the Union's regulatory requirements into national laws.[4]

8. The remaining NTMs, which totalled 230 measures, were established under 59 legislative acts and pertained to specific sectors/products not covered by the Union's harmonized legislation. Some of these acts were slated for approximation with those of the Union's over the period 2018-2025 (Annex, Table 1)

9. Technical Barriers to Trade (TBT) measures (Chapter B of the MAST classification system) represented the largest segment of the remaining national NTMs (with a 60.9 percent share) and pertained mainly to labelling requirements. Sanitary and Phytosanitary (SPS) measures (Chapter A), including temporary geographic prohibitions for sanitary and phytosanitary purposes, accounted for the second largest segment (19.13 percent). The most affected products by TBT and SPS measures were miscellaneous chemical products (HS 38), beverages, spirits and vinegar (HS 22), iron and steel (HS 72), live animals (HS 01) along with albuminoidal substances, modified starches, glues and enzymes (HS 35).

10. Export-related measures (Chapter P) accounted for 14.78 percent of the country's non harmonized NTMs and were mainly related to, among others, testing, labelling and packaging requirements.[5] These were followed by price-control measures (Chapter F) with a 2.17 percent share; pre-shipment inspection (Chapter C) with a 1.30 percent share; and, measures affecting competition (Chapter H), non-automatic licensing (Chapter E) and finance measures (Chapter G) with a modest combined share of 1.74 percent.

11. The most affected products by export-related measures were: miscellaneous chemical products (HS 38); iron and steel (HS 72); tools, implements, cutlery, spoons and forks, of base metal; parts thereof of base metal (HS 82); tanning or dyeing extracts; tannins and their derivatives, dyes, pigments and other colouring matter; paints and varnishes; putty and other mastics; inks (HS 32); and beverages, spirits and vinegar (HS 22). A more detailed breakdown of the country's non-harmonized NTMs by MAST Chapter is provided in the Annex (Table 2).

III. Application of the national import-related non-tariff measures

12. Around 79 percent of the non-harmonized import related NTMs, or 155 measures, were applied on an equal basis to all countries. The remaining were applied to third countries and the Russian Federation, and are not in contradiction with the Most Favoured Nation (MFN) principle (Annex, Table 3).

---

on 9 October and 23 December 2014, respectively. The treaties entered into force on 2 January 2015 (Armenia) and 12 August 2015 (Kyrgyzstan). The main provisions guiding the adoption of harmonized NTMs are established under the Treaty on the Eurasian Economic Union (Article 44; Articles 46-56 and Annexes 6, 7, 8, 9, 12) and the Board of the Eurasian Economic Commission Decision No. 30 of April 21, 2015 "On non-tariff regulating measures".

[4] The Number of Eurasian Economic Union NTMs, established under 46 Union legislative acts, stood at 374 measures in December 2017. Mapped against MAST chapters, these comprised 120 Sanitary and phytosanitary (SPS) measures (Chapter A), 239 technical barriers to trade (TBT) measures (Chapter B), 1 pre-shipment inspection and other formalities (Chapter C), 2 non-automatic licensing (Chapter E), and 12 export-related measures (Chapter P).

[5] The bulk of these measures fall under technical measures not specified elsewhere (P69), which covers among others, testing, labelling and packaging requirements. NTM classification of export related technical measures consists of 3 subcategories (inspection – P61, certification – P62, and measures not specified elsewhere– P69).

13. Moreover, the government was in the process of further elaborating the NTMs to ensure a uniform interpretation of affected products. This involved addressing instances where national (non-harmonized) legal acts define affected products using the previous version of HS codes.

Annex

Table 1: Eurasian Economic Union legislation scheduled to enter into force in Kazakhstan in 2018-2025

Eurasian Economic Union legislation	*Scheduled implementation date*
Agreement on unified principles and rules of the distribution of pharmaceutical products within the Eurasian Economic Union	31.12.2025
Decision of August 18, 2017 No. 97 "On establishing the tariff-rate quotas for certain agricultural goods imported in 2018 into the EEU"	01.01.2018
Decision of August 9, 2016 No. 68 "On technical regulation of the Eurasian Economic Union "Requirements for liquefied petroleum gas to be used as fuel" (EEU TR 036/2016)	01.01.2018
Decision of February 12, 2016 No. 26 "On special sign of distribution of medical products on the territory of Eurasian Economic Union"	31.12.2021
Decision of February 12, 2016 No. 27 "On establishment of unified requirements for safety and efficiency of medical products, requirements for their labelling and requirements for operating manuals/documents"	31.12.2021
Decision of February 12, 2016 No. 46 "On the registration rules and rules of expertise for the safety, quality and efficiency of medical products"	31.12.2021
Decision of November 3, 2016 No. 76 "On requirements for the labelling of pharmaceutical products and veterinary drugs"	31.12.2025
Decision of November 3, 2016 No.6 77 "On good manufacturing practices of the Eurasian Economic Union"	31.12.2025
Decision of November 3, 2016 No. 78 "On rules on registration and expertise of pharmaceutical products for use in the medical sphere"	31.12.2025
Decision of November 3, 2016 No. 80 "On requirements for the distribution practice within the Eurasian Economic Union"	31.12.2025
Decision of November 3, 2016 No. 88 "On requirements for manuals on application of pharmaceutical products and on their common specification for medical use"	31.12.2025
Decision of November 30, 2016 No 157 "On uniform quarantine phytosanitary requirements to quarantinable products and objects applied at the customs border and the on customs territory of Eurasian Economic Union"[6]	01.01.2018
EEC Decision of October 18, 2016 No. 113 "On technical regulation of the Eurasian Economic	01.03.2018

[6] Most of the measures emerging from this legislation were applied as of July 1, 2017 (for all Eurasian Economic Union members). Only one measure will be applied as of January 1, 2018 (for all Eurasian Economic Union members): requirement to import into the customs territory of the Union and displace through the customs territory of the Union the plants with soil or nutritional additive containing soil and potted plants with cultivation soil from those production areas, places and (or) locations that are free from quarantine objects (measure A69 – "Other requirements on production or post-production processes, n.e.s").

Eurasian Economic Union legislation	*Scheduled implementation date*
Union "On setting the limits on the contents of dangerous substances in electrical and radioelectronic goods" (EEU TR 037/2016)	
EEC Decision of October 18, 2016 No. 114 "On technical regulation of the Eurasian Economic Union "On safety of the equipment of theme parks" (EEU TR 038/2016)	17.04.2018
Technical regulation of Customs Union "On requirements for the motor gasoline and aviation motor gasoline, diesel and marine fuels, jet engine fuel and black oil fuel" (CU TR 013/2011) confirmed by Decision of October 18, 2011 No. 826 (1 measure; other 5 measures came into force before 01.01.2018))	01.01.2018
Technical regulation of Customs Union "On safety of explosives and derivative products" (CU TR 028/2012) confirmed by Decision of July 20, 2012 No. 57[*]	01.01.2021
Technical regulation of Eurasian Economic Union "On requirements to mineral fertilizers" (EEU TR 039/2016) confirmed by Decree of November 30, 2016 No. 150 "On technical regulation of Eurasian Economic Union "On requirements to mineral fertilizers"	02.06.2021
Technical regulation of Eurasian Economic Union "On safety of equipment for children's playgrounds" (EEU TR 042/2017) confirmed by Decision of May 17, 2017 No. 21	17.11.2018
Technical regulation on safety of chemical products (EEU TR 041/2017) confirmed by Decision of March 7, 2017 No. 19 "On technical regulation of Eurasian Economic Union "On safety of chemical products"	02.06.2021

Table 2: Breakdown by MAST chapter of Kazakhstan's non-harmonized NTMs *(2-3 digit NTM code)*

2-3 digit NTM code	*Description*	*No. of NTMs*	*% Share*
A11	Temporary geographic prohibitions for SPS reasons	23	10
A14	Special authorization requirement for SPS reasons	1	0.43
A22	Restricted use of certain substances in foods and feeds and their contact materials	1	0.43
A31	Labelling requirements	1	0.43
A51	Cold/heat treatment	7	3.04
A59	Treatment for elimination of plant and animal pests and disease-causing organisms in the final product, n.e.s. (not elsewhere specified)	1	0.43
A63	Food and feed processing	1	0.43
A64	Storage and transport conditions	2	0.87
A81	Product registration requirement	2	0.87
A82	Testing requirement	2	0.87

[*] Only one measure remains to be applied on 1 January 2021, which pertains to quality requirement for explosives and derivative products (marking explosives by injecting marker substances and microcarriers). The remaining measures established under this legislation were applied on 12 August 2017.

2-3 digit NTM code	*Description*	*No. of NTMs*	*% Share*
A83	Certification requirement	1	0.43
A89	Conformity assessment related to SPS, n.e.s.	2	0.87
B14	Authorization requirement for TBT reasons	6	2.61
B21	Tolerance limits for residues of or contamination by certain substances	3	1.3
B22	Restricted use of certain substances	2	0.87
B31	Labelling requirements	40	17.39
B32	Marking requirements	5	2.17
B33	Packaging requirements	5	2.17
B4	Production or post-production requirements	1	0.43
B41	TBT regulations on production processes	10	4.35
B42	TBT regulations on transport and storage	14	6.09
B49	Production or post-production requirements, n.e.s.	1	0.43
B7	Product-quality or -performance requirement	13	5.65
B81	Product registration requirement	3	1.3
B82	Testing requirement	17	7.39
B83	Certification requirement	11	4.78
B853	Traceability information requirements: Distribution and location of products after delivery	1	0.43
B859	Traceability information requirements: Traceability requirements, n.e.s.	1	0.43
B89	Conformity assessment related to TBT, n.e.s.	3	1.3
B9	TBT measures, n.e.s.	4	1.74
C3	Requirement to pass through specified port of customs	1	0.43
C4	Import-monitoring and -surveillance requirements and other automatic licensing measures	2	0.87
E621	Other tariff quotas included in other trade agreements: Global allocation	1	0.43
F69	Additional charges, n.e.s.	1	0.43
F71	Consumption taxes	1	0.43
F72	Excise taxes	2	0.87
F73	Taxes and charges for sensitive product categories	1	0.43
G14	Refundable deposits for sensitive product categories	1	0.43
H11	State-trading enterprises, for importing	1	0.43
H9	Measures affecting competitions, n.e.s.	1	0.43

2-3 digit NTM code	*Description*	*No. of NTMs*	*% Share*
P11	Export prohibition	1	0.43
P13	Licensing- or permit requirements to export	5	2.17
P21	State-trading enterprises, for exporting	1	0.43
P4	Measures on re-export	2	0.87
P5	Export taxes and charges	3	1.3
P62	Certification required by the exporting country	3	1.3
P69	Export technical measures, n.e.s.	15	6.52
P7	Export subsidies	1	0.43
P9	Export measures, n.e.s.	3	1.3
	Total		230[9]

Table 3: Consistency of Kazakhstan's NTMs with the Most Favoured Nation treatment, as of December 2017

Application	*Import-related measures (number and percentage shares)*	*Legislative basis*	*Comments*
All countries on equal basis	155 (79.08%)	–	–
All third countries	4 (2.04%)	Order No. 498 of December 6, 2016.[8]	Order No. 498 establishes one measure (non-automatic licensing) that is related to the country's collective global quota and, as such, cannot be considered as discriminatory
		Decree No. 356 of June 20, 2016[10]	Decree No. 356 establishes one import-related measure pertaining to testing requirement while Order No.401 establishes two import-related measures pertaining to labelling requirements. The measures are applied to imports of precious
		Order No. 401of April 28, 2016[11]	

[9] Shares do not always add up to 100 due to rounding.

[8] Order of the Minister of national economy of the Republic of Kazakhstan of December 6, 2016 No. 498 "On establishment of tariff-rate quotas for duty free imports of cane raw sugar to the territory of the Republic of Kazakhstan for 2017"

[10] Decree of the Government of the Republic of Kazakhstan No. 356 of June 20, 2016 "On establishment of the rules for imports to the territory of Republic of Kazakhstan from countries except Eurasian Economic Union members and exports from the territory of Republic of Kazakhstan to these countries of precious stones, jewellery and other products, imports to the territory of Republic of Kazakhstan and exports from the territory of Republic of Kazakhstan of unprocessed natural diamonds taking into account the Kimberley process certification scheme and about losing force of certain Decisions of the Government of Republic of Kazakhstan"

[11] Order of the Minister of investment and development of the Republic of Kazakhstan of April 28, 2016 No. 401 "On establishment of the rules for conducting expertise of precious stones, jewellery and other products from precious stones and precious metals".

Application	*Import-related measures (number and percentage shares)*	*Legislative basis*	*Comments*
			stones (except rough diamonds), jewellery and other (alike) products. The three measures , which find root in the Board of the Eurasian Economic Commission Decision of April 21, 2015 No. 30 "On Non-tariff regulating measures", establish compliance with the Kimberley certification scheme and are , as such, not in contradiction with the MFN treatment principle. The scheme requires exports from member countries to be accompanied by the Kimberley process certificate.[12] Countries that are not signatories to this scheme are excluded from participating in trade in rough diamonds. The national law and the Eurasian Economic Union harmonized legislation do not specify the list of countries subject to these measures, since the number of Kimberly scheme member countries is constantly changing.[13]
Certain third countries	32 (16.33%)	Different national orders adopted in accordance to Section XI, article 56, point 4 of the EAEU Treaty	Temporary prohibition measures, applied to certain countries that are affected by disease outbreaks for SPS reasons. Twenty one measures were applied over the period of 2011 – 2014; another eight measures were applied over the period 2015 – 2016; and, only three measures were applied in 2017. These measures were imposed for SPS purposes and do not contradict with the MFN treatment principle.
Russian Federation	2 (1.02%)	Order No. 27 of January 22, 2016 [14]	The legislation establishes two measures: import notification; and import-monitoring and -surveillance requirements and other automatic licensing measures that are applied on military equipment and technologies. Order No. 27 was adopted pursuant to an Agreement between the Republic of Kazakhstan and Russian

[12] For an account of the Kimberley process certification scheme, see for example, South African Diamond and Precious Metals Regulator. Kimberley process certification scheme 2017, available at: http://www.sadpmr.co.za/upload/KPCS_Core_Document.pdf; and, European Union External Action Service. Kimberley Process. What the international community is doing to tackle conflict diamonds, available at: http://eeas.europa.eu/archives/docs/blood_diamonds/docs/kp_presentation_en.pdf

[13] The list of Kimberley process participants and observers in 2017 is available at: https://www.kimberleyprocess.com/en/kp-participants-and-observers

[14] Order of the Minister of defense of the Republic of Kazakhstan of No. 27 of January 22, 2016 "On establishment of the rules on forming the list of goods and list for monitoring of imports (exports) of military equipment and technologies between the Republic of Kazakhstan and Russian Federation"

Application	*Import-related measures (number and percentage shares)*	*Legislative basis*	*Comments*
			Federation on military and technical cooperation (2015). As such, these measures cannot be considered as discriminatory.
Certain third countries	3 (1.53%)	Environmental Code of Kazakhstan	The legislation establishes three measures (labelling requirements, marking requirements, requirement to have consumption records), which are applied to imports of ozone-depleting substance from countries that are signatories to Montreal Protocol. Imports from countries that are not signatories to the Montreal Protocol are prohibited in Kazakhstan (this prohibition is established under Decision of the Board of Eurasian Economic Commission No. 30 of April 21, 2015 "On non-tariff regulating measures")
Total	196 (100%)		

United Nations ECE/CTCS/2018/8

Economic and Social Council

Distr. General
2 May 2018

English
Original: English and Russian only

Economic Commission for Europe

Steering Committee on Trade Capacity and Standards

Fourth session
Geneva, 3-4 May 2018
Item 5 of the provisional agenda
Country follow-up to Economic Commission for Europe studies on regulatory and procedural barriers to trade

Follow-up on Economic Commission for Europe country studies: Kyrgyzstan

Submitted by the secretariat

Summary

This report was prepared by the secretariat to brief member States about the recent efforts of the Kyrgyz Government to implement the recommendations emerging from the Economic Commission for Europe (ECE) study on regulatory and procedural barriers to trade in the country.

The report is presented to the Steering Committee on Trade Capacity and Standards for decision.

GE.18-08923(E)

Please recycle

I. Introduction

1. In 2015, the ECE carried out a comprehensive survey-based assessment of regulatory and procedural barriers to trade in the Kyrgyzstan, with a view to supporting the Government's activities in the trade sector to diversify export and ensure sustained growth. The findings were published in a study, which featured detailed action-oriented recommendations that were borne out of consultations with public and private stakeholders.[1]

2. A consistent theme running through the study was the lack of up-to-date information on trade-related regulations. Even though the laws are published on several State agencies' websites, traders found it difficult to keep abreast of legislative reforms, applied regulatory requirements and associated administrative procedures. Traders reported that they had to piece together information from different sources, with the consequence of assuming additional transaction costs in the form of delays. For small enterprises, such delays often acted as a disincentive to exports.

3. Moreover, published information was invariably in Russian and, therefore, incomprehensible to a significant segment of international partner countries. Buyers and suppliers from these countries have no means to establish an understanding on the country's regulatory requirements, beyond the information obtained from trade promotion institutions and missions abroad.

4. To address this shortfall, the ECE assisted the government in establishing a comprehensive database of applied non-tariff measures (NTMs) using the internationally recognized United Nations Conference on Trade and Development (UNCTAD) administered Multi-Agency Support Team (MAST) classification system. The database was consolidated by a national team of experts from the State Enterprise Single Window Center for Foreign Trade under the Ministry of Economy.

5. The team passed UNCTAD's online training course on the use of the MAST classification system, which was followed by an intensive face-to-face training course in Geneva, Switzerland over the period 22-24 March 2017. The team members also received on the job training over the period May-October 2017, during which they compiled the database under the supervision of a UNCTAD regional expert.

6. The NTM database was validated during a National Stakeholder Meeting that was held at the Ministry of Economy in Bishkek, Kyrgyzstan in March 2018. The database will be used by the Government to strengthen its information dissemination function, and will be integrated into UNCTAD's Trade Analysis Information System (TRAINS).[2]

7. This report provides an overview of Kyrgyzstan's NTM database, and highlights the Government's plans to further align these measures with the principles and requirements of the multilateral trading system.

[1] https://www.unece.org/tradewelcome/studies-on-regulatory-and-procedural-barriers-to-trade.html.

[2] TRAINS features tariff and non-tariff measures as well as import flows by origin for more than 150 countries at the most disaggregated level of Harmonized System (HS). The data can be accessed at http://unctad.org/en/Pages/DITC/Trade-Analysis/Non-Tariff-Measures/NTMs-Data.aspx.

II. Overview of Kyrgyzstan's non-tariff measures

8. Kyrgyzstan's NTMs totalled 586 in December 2017, of which 369 measures (or around 63 per cent) were approximated to those of the Eurasian Economic Union[3] by implementing the Eurasian Economic Union harmonized legislation (the common technical regulations) and integrating the Eurasian Economic Union regulatory requirements into national laws.[4]

9. The remaining NTMs, which totalled 217 measures, were established under 55 legislative acts and pertained to specific sectors/products not covered by the Eurasian Economic Union harmonized legislation. Some of these acts were slated for approximation with those of the Eurasian Economic Union over the period 2018-2025 (Annex, Table 1).

10. Technical barriers to trade (TBT) measures (Chapter B) covering testing, quality, labelling and authorization requirements, represented the largest segment of the remaining NTMs (with a 56.7 per cent share) while sanitary and phytosanitary (SPS) measures (Chapter A) accounted for the third largest segment (18.0 per cent). The most affected products by the TBT and SPS measures and other import-related measures included: beverages, spirits and vinegar (HS 22), albuminoidal substances, modified starches, glues, enzymes (HS 35) and essential oils and resinoids, perfumery, cosmetic or toilet preparations (HS 33).

11. Export-related measures (Chapter P) accounted for 18.9 per cent (or the second largest segment of the country's non-harmonized NTMs) and were mainly related to technical requirements not specified under Chapter P, followed by pre-shipment inspection (Chapter C), price-control measures (Chapter F), measures affecting competition (Chapter H), non-automatic licensing (Chapter E) and finance measures (Chapter G), respectively 2.3 per cent, 1.8 per cent, 1.4 per cent, 0.5 per cent and 0.5 per cent. The most affected products under export-related measures include raw hides and skins (other than fur skins) and leather (HS 41), beverages, spirits and vinegar (HS 22), cotton (HS 52) and edible fruit and nuts; peel of citrus fruit or melons (HS 08). A more detailed breakdown of the country's non-harmonized NTMs by MAST Chapter is provided in the Annex (Table 2).

III. Application

12. Around 95 per cent of the non-harmonized import related NTMs, or 167 measures, were applied on an equal basis to all countries. The remaining were applied to third countries, members of the Commonwealth of Independent States (CIS), Eurasian Economic

[3] In 2017, the Eurasian Economic Union membership is comprised of Armenia, Belarus, Kazakhstan, Kyrgyzstan and the Russian Federation. The Eurasian Economic Union was established pursuant to the Treaty on the Eurasian Economic Union that was signed by Belarus, Kazakhstan and the Russian Federation on 29 May 2014 and entered into force on 1 January 2015. Armenia and Kyrgyzstan signed separate treaties to accede the Eurasian Economic Union on 9 October and 23 December 2014, respectively. The treaties entered into force on 2 January 2015 (Armenia) and 12 August 2015 (Kyrgyzstan). The main provisions guiding the adoption of harmonized NTMs are established under the Treaty on the Eurasian Economic Union (Article 44, Articles 46-56 and Annexes 6, 7, 8, 9, 12) and the Board of the Eurasian Economic Commission Decision No. 30 of April 21, 2015 "On non-tariff regulating measures".

[4] For Kyrgyzstan, The Number of Eurasian Economic Union NTMs, established under 46 Eurasian Economic Union legislative acts, stood at 369 measures in December 2017. Mapped against MAST chapters, these comprised 120 Sanitary and phytosanitary (SPS) measures (Chapter A), 234 technical barriers to trade (TBT) measures (Chapter B), 1 pre-shipment inspection and other formalities (Chapter C), 2 non-automatic licensing (Chapter E), and 12 export-related measures (Chapter P).

Union member countries and Kazakhstan. These measures seem to be in contradiction with the Most Favoured Nation (MFN) principle and the national treatment clause and, as such, rank high on the Government's reform agenda (Annex, Table 3).

13. Moreover, the government was in the process of further elaborating the NTMs to ensure a uniform interpretation of affected products. This involved addressing instances where national (non-harmonized) legal acts provide only a definition of affected products (i.e., do not specify affected HS codes).

Annex

Table 1: Eurasian Economic Union legislation scheduled to enter into force in Kyrgyzstan in 2018-2025

Eurasian Economic Union legislation	*Scheduled implementation date*
Agreement on unified principles and rules of the distribution of pharmaceutical products within the Eurasian Economic Union	31.12.2025
Decision of August 18, 2017 No. 97 "On establishing the tariff-rate quotas for certain agricultural goods imported in 2018 into the Eurasian Economic Union"	01.01.2018
Decision of August 9, 2016 No. 68 "On technical regulation of the Eurasian Economic Union 'Requirements for liquefied petroleum gas to be used as fuel" (EEU TR 036/2016)	01.01.2018
Decision of February 12, 2016 No. 26 "On special sign of distribution of medical products on the territory of Eurasian Economic Union"	31.12.2021
Decision of February 12, 2016 No. 27 "On establishment of unified requirements for safety and efficiency of medical products, requirements for their labelling and requirements for operating manuals/documents"	31.12.2021
Decision of February 12, 2016 No. 46 "On the registration rules and rules of expertise for the safety, quality and efficiency of medical products"	31.12.2021
Decision of November 3, 2016 No. 76 "On requirements for the labelling of pharmaceutical products and veterinary drugs"	31.12.2025
Decision of November 3, 2016 No.6 77 "On good manufacturing practices of the Eurasian Economic Union"	31.12.2025
Decision of November 3, 2016 No. 78 "On rules on registration and expertise of pharmaceutical products for use in the medical sphere"	31.12.2025
Decision of November 3, 2016 No. 80 "On requirements for the distribution practice within the Eurasian Economic Union"	31.12.2025
Decision of November 3, 2016 No. 88 "On requirements for manuals on application of pharmaceutical products and on their common specification for medical use"	31.12.2025
Decision of November 30, 2016 No 157 "On uniform quarantine phytosanitary requirements to quarantinable products and objects applied at the customs border and the on customs territory of the Eurasian Economic Union"[5]	01.01.2018

[5] Most of the measures emerging from this legislation were applied as of July 1, 2017 (for all Eurasian Economic Union members). Only one measure will be applied as of January 1, 2018 (for all Eurasian Economic Union members): requirement to import into the customs territory of the Union and displace through the customs territory of the Union the plants with soil or nutritional additive

Eurasian Economic Union legislation	*Scheduled implementation date*
Eurasian Economic Commission Decision of October 18, 2016 No. 113 "On technical regulation of the Eurasian Economic Union 'On setting the limits on the contents of dangerous substances in electrical and radio-electronic goods'" (EEU TR 037/2016)	01.03.2018
Eurasian Economic Commission Decision of October 18, 2016 No. 114 "On technical regulation of the Eurasian Economic Union 'On safety of the equipment of theme parks'" (EEU TR 038/2016)	17.04.2018
Technical regulation of Customs Union "On requirements for the motor gasoline and aviation motor gasoline, diesel and marine fuels, jet engine fuel and black oil fuel" (CU TR 013/2011) confirmed by Decision of October 18, 2011 No. 826[6]	01.01.2018 12.08.2019
Technical regulation of Customs Union "On safety of explosives and derivative products" (CU TR 028/2012) confirmed by Decision of July 20, 2012 No. 57[7]	01.01.2021
Technical regulation of Eurasian Economic Union "On requirements to mineral fertilizers" (EEU TR 039/2016) confirmed by Decree of November 30, 2016 No. 150 "On technical regulation of Eurasian Economic Union 'On requirements to mineral fertilizers'"	02.06.2021
Technical regulation of Eurasian Economic Union "On safety of equipment for children's playgrounds" (EEU TR 042/2017) confirmed by Decision of May 17, 2017 No. 21	17.11.2018
Technical regulation on safety of chemical products (EEU TR 041/2017) confirmed by Decision of March 7, 2017 No. 19 "On technical regulation of Eurasian Economic Union 'On safety of chemical products'"	02.06.2021

Table 2: Breakdown by MAST chapter of Kyrgyzstan's non-harmonized NTMs *(2-3 digit NTM codes)*

2-3 digit NTM code	*Description*	*No. of NTMs*	*% Share*
A13	Systems approach	1	0.46

containing soil and potted plants with cultivation soil from those production areas, places and (or) locations that are free from quarantine objects (measure A69 – "Other requirements on production or post-production processes, n.e.s" (not elsewhere specified)).

[6] According to Decision of the Board of Eurasian Economic Commission No. 11 of January 26, 2016 "On the order of implementation of technical regulations of Customs Union in Kyrgyz Republic", technical regulation CU TR 013/2011 enters into force on 12 August 2019. This means that from that date the conformity assessment documents, which were issued in accordance to earlier national legislative requirements, shall no longer be issued. However, production and distribution of products, which are subjected to technical regulations in accordance with the requirements established by the legislation of the Kyrgyz Republic, is allowed until August 12, 2021, provided that the products in question have conformity assessment documents issued before August 12, 2019. However, Decision of the Council of Eurasian Economic Commission No. 84 of December 2, 2015 "On amending Technical regulation of Customs Union 'On requirements for the motor gasoline and aviation motor gasoline, diesel and marine fuels, jet engine fuel and black oil fuel'" (CU TR 013/2011), established a quality requirement (for Kyrgyz Republic) for the production and distribution of motor gasoline and diesel of certain ecological classes (e.g. K3) that came into force on 1 January 2018.

[7] Only one measure remains to be applied on 1 January 2021, which pertains to quality requirement for explosives and derivative products (marking explosives by injecting marker substances and microcarriers). The remaining measures established under this legislation were applied on 12 August 2017.

2-3 digit NTM code	Description	No. of NTMs	% Share
A14	Special authorization requirement for sanitary and phytosanitary (SPS) reasons	3	1.38
A15	Registration requirements for importers	1	0.46
A21	Tolerance limits for residues of or contamination by certain (non-microbiological) substances	2	0.92
A22	Restricted use of certain substances in foods and feeds and their contact materials	1	0.46
A31	Labelling requirements	4	1.84
A32	Marking requirements	2	0.92
A33	Packaging requirements	4	1.84
A41	Microbiological criteria of the final product	1	0.46
A42	Hygienic practices during production	1	0.46
A63	Food and feed processing	4	1.84
A64	Storage and transport conditions	5	2.30
A69	Other requirements on production or post-production processes, not elsewhere specified, n.e.s. (not elsewhere specified)	1	0.46
A81	Product registration requirement	2	0.92
A82	Testing requirement	2	0.92
A83	Certification requirement	2	0.92
A84	Inspection requirement	1	0.46
A89	Conformity assessment related to SPS, n.e.s.	2	0.92
B14	Authorization requirement for TBT reasons	13	5.99
B19	Prohibitions/restrictions of imports for objectives set out in the Technical Barriers to Trade (TBT) agreement, n.e.s.	1	0.46
B21	Tolerance limits for residues of or contamination by certain substances	3	1.38
B22	Restricted use of certain substances	2	0.92
B31	Labelling requirements	29	13.36
B32	Marking requirements	4	1.84
B33	Packaging requirements	5	2.30
B41	TBT regulations on production processes	5	2.30
B42	TBT regulations on transport and storage	10	4.61
B49	Production or post-production requirements, n.e.s.	2	0.92
B6	Product identity requirement	4	1.84
B7	Product-quality or -performance requirement	13	5.99

2-3 digit NTM code	*Description*	*No. of NTMs*	*% Share*
B81	Product registration requirement	3	1.38
B82	Testing requirement	13	5.99
B83	Certification requirement	10	4.61
B84	Inspection requirement	2	0.92
B89	Conformity assessment related to TBT, n.e.s.	4	1.84
C3	Requirement to pass through specified port of customs	1	0.46
C4	Import-monitoring and -surveillance requirements and other automatic licensing measures	2	0.92
C9	Other formalities, n.e.s.	2	0.92
E621	Tariff-rate quotas (non-World Trade Organisation): Global allocation	1	0.46
F69	Additional charges, n.e.s.	1	0.46
F71	Consumption taxes	1	0.46
F72	Excise taxes	1	0.46
F9	Price-control measures, n.e.s.	1	0.46
G19	Advance payment requirements, n.e.s.	1	0.46
H9	Measures affecting competitions, n.e.s.	3	1.38
P13	Licensing- or permit requirements to export	11	5.07
P14	Export registration requirements	2	0.92
P19	Export quantitative restrictions, n.e.s.	2	0.92
P4	Measures on re-export	2	0.92
P5	Export taxes and charges	4	1.84
P61	Inspection requirement	1	0.46
P62	Certification required by the exporting country	3	1.38
P69	Export technical measures, n.e.s.	10	4.61
P7	Export subsidies	1	0.46
P9	Export measures, n.e.s.	5	2.30
Total		218	100[a]

[a] Shares do not add up to 100 due to rounding.

Table 3: Consistency of Kyrgyzstan's NTMs with the Most Favoured Nation treatment, as of December 2017

Application	*Import-related measures (number and percentage shares)*	*Legislative basis*	*Comments*
All countries on equal basis	167 (94.94%)	–	–
All third countries	1 (0.06%)	Law No. 175 of December 30, 2014[9]	The law establishes one import-related measure (authorization requirement from the Inspector of the State Veterinary Control Department) for products subject to veterinary control.[10] As the Eurasian Economic Union legislation establishes authorization for veterinary products imported from third countries,[11] this national measure is an additional requirement and contradicts with the MFN treatment principle.
Eurasian Economic Union member countries	3 (1.69%)	Government Decree No. 537 of October 12, 2016[12]	Government Decree No. 537 of October 12, 2016 establishes minimum import prices on certain products (e.g. sugar)[14] originating from the Eurasian Economic Union for the purpose of calculation of indirect taxes. While this measure is meant to prevent tax frauds, it may create a non-tariff barrier to trade (it takes three days to obtain necessary information requested by authorities) and products imported at prices inferior to the minimum import prices may be subject to higher taxes.
		Government Decree No. 735 of December 30, 2008[13]	Decree No. 735 of December 30, 2008 establishes the requirement of making a deposit payment in amount of five standard units per one liter of alcohol products imported from Eurasian Economic Union member-states. While this measure is meant to ensure proper application of excise stamps, it imposes additional costs for importers.
			Decree No. 735 also establishes the requirement (i.e. approves Regulation) that imports from Eurasian Economic Union member-states subject to excise labels (namely alcohol and tobacco products) must be marked with excise labels only on the territory of the producer/manufacturer of these products. This measure

[9] Law of Kyrgyz Republic No. 175 of December 30, 2014 "On Veterinary".

[10] This is an additional measure to authorization measure imposed by Uniform veterinary (veterinary and sanitary) requirements imposed on the goods subject to veterinary control (supervision) confirmed by Decision of June 18, 2010 No 317.

[11] Uniform veterinary (veterinary and sanitary) requirements imposed on the goods subject to veterinary control (supervision) confirmed by Commission of Customs Union Decision No. 317of June 18, 2010.

[12] Government Decree No. 537 of October 12, 2016 "Procedure for the determination, application and monitor of the minimum level of control price".

[13] Government Decree No. 735 of December 30, 2008 "About measures on realization of requirements of articles 98, 242, 255, 257, 258, 280, 281, 287 and 295 of Tax code of Kyrgyz Republic and of article 11 of Law of Kyrgyz "About implementation of Tax code of Kyrgyz Republic"".

[14] For full list of affected products see: http://www.sti.gov.kg/евразийский-экономический-союз/о-минимальном-уровне-контрольных-цен/перечень-товаров-(муки).

Application	*Import-related measures (number and percentage shares)*	*Legislative basis*	*Comments*
			contradicts the MFN treatment principle.
Commonwealth of Independent States (CIS)	2 (1.12%)	Government Decree No. 532 July 21, 2006[15]	Establishes that potentially dangerous non-food imports of animal origin imports from CIS countries should be accompanied by hygienic certificates and that such products should also undergo veterinary sanitary expertise.
Kazakhstan	3 (1.69%)	Government Decree No. 235 of May 10, 2016[16]	The Decree establishes that goods imported into Kazakhstan at duty rates lower than the Eurasian Economic Union uniform rates[17] are subjected to inspection and the requirement to present information for traceability purposes. These measures are also meant to address the influx of relatively cheap imports from third (non- Eurasian Economic Union) countries to Kyrgyz Republic. Nonetheless, they contradict the MFN treatment principle.
Total	176 (100%)[18]		

[15] "On interaction questions during hygienic assessment of potentially dangerous products imported from members of Commonwealth of Independent States"

[16] The order of state control (supervision) over goods subject to sanitary-epidemiological and veterinary control (supervision).

[17] Due to the Republic of Kazakhstan's obligations with the World Trade Organisation. The list of products is published in the Council of Eurasian Economic Commission Decision No. 59 of October 14, 2015 (http://www.consultant.ru/document/cons_doc_LAW_187649/) or in Order of Minister of national economy of Republic of Kazakhstan of February 9, 2017 No. 58 (http://adilet.zan.kz/rus/docs/V1700014867).

[18] Shares do not always add up to 100 due to rounding.

United Nations ECE/CTCS/2018/9

Economic and Social Council

Distr.: General
22 February 2018

Original: English

Economic Commission for Europe

Steering Committee on Trade Capacity and Standards

Fourth session
Geneva, 3-4 May 2018
Item 5 of the provisional agenda
Country follow-up to Economic Commission for Europe studies on regulatory and procedural barriers to trade

Regulatory and procedural barriers to trade: Evidence from Economic Commission for Europe national studies

Summary

This report highlights challenges to quality control and quality assurance development common to some Economic Commission for Europe (ECE) Member States. It draws on the results of the ECE's survey-based studies on regulatory and procedural barriers to trade in Albania, Kazakhstan, Kyrgyzstan, Moldova and Tajikistan.

An earlier draft of the report was presented to the 27th Session of the ECE Working Party on Regulatory Cooperation and Standardization Policies (WP.6) as part of the reference material to support discussions on setting up risk-based regulatory systems.

This report is presented to the Steering Committee on Trade Capacity and Standards for decision.

GE.18-02678(E)

Please recycle

I. Introduction

1. Several definitions have been advanced to conceptualize the notion of risk management and its implications for standard setting and legislative reforms.[1] The definitions bring forward the imperative for comprehensive risk-based approaches, which involve proactive consideration of foreseen and unforeseen events that could occur throughout the product life cycle to set the limits for achieving regulatory objectives. Such approaches should not only inform regulatory activities at both the planning and implementation levels, but also be integrated into the organizational, legislative and procedural processes underpinning the national system of standardization, technical regulations and quality assurance.[2]

2. There is no one size fits all solution, as each country has its specific conditions and development trajectory. This paper highlights major challenges that could complicate the institutionalizing risk-based regulatory systems, drawing on the findings of ECE studies on regulatory and procedural barriers to trade in Albania, Kazakhstan, Kyrgyzstan, the Republic of Moldova and Tajikistan.[3]

3. The paper is divided in five sections. The introduction is followed in sections two, three and four by an overview of the management systems underpinning standardization and quality assurance systems in the above-mentioned countries. The challenges facing regulatory bodies in the areas of technical regulations, standardization and conformity assessment are then discussed, leading to reflections on their policy implication.

II. Standardization and quality assurance systems: salient features

4. With the exception of Tajikistan, the general management of standardization and quality assurance systems in the five countries was assigned to line ministries responsible for the horizontal coordination of economic reforms, usually the Ministries of Economy, which worked closely with other relevant ministries and State agencies responsible for Veterinary, Sanitary and Phytosanitary (SPS) and Technical Barriers to Trade (TBT) measures (as shown in Table 1).

[1] See, for example, International Organization for Standardization (ISO) Guide 73:2009 (Risk Management -- Vocabulary).

[2] See, for example, ISO 31000:2009 (Risk Management--Principles and Guidelines); International Electrotechnical Commission (IEC) 31010: 2009 (Risk Management—Risk Assessment Techniques); and, ISO/IEC 27001:2005 (Information Security—Security Techniques- Information Security Management Systems—Requirements) A summary of international standards and guides on risk management and their implication is provided in ECE (2012) Risk Management in Regulatory Frameworks: Towards a Better Management of Risks available at: http://www.unece.org/fileadmin/DAM/trade/Publications/WP6/ECE_TRADE_390.pdf

[3] The studies are available at: https://www.unece.org/tradewelcome/studies-on-regulatory-and-procedural-barriers-to-trade.html. UNECE carried a similar study on Belarus in 2010. The paper does not cover Belarus, as the Government will be briefing the delegates on progress made in the area of risk management under agenda item 5.

Table 1. Agencies responsible for standardization and quality assurance oversight

Functions	*Albania*	*Kazakhstan*	*Kyrgyzstan*	*Moldova*	*Tajikistan*
Overall coordination	Ministry of Finance and Economy	Ministry of national Economy	Ministry of Economy	Ministry of Economy and Infrastructure	Ministry of Economic Development and Trade
Technical regulation	Line Ministries (sectoral regulations) and Ministry of Finance and Economy (horizontal regulations)	Line Ministries (sectoral regulations) and Ministry of national Economy (horizontal regulations)	Line Ministries (sectoral regulations) and Ministry of Economy (horizontal regulations)	Line Ministries (sectoral regulations) and Ministry of Economy and Infrastructure (horizontal regulations)	Tajikstandart
Standardization	General Directorate of Standardization (DPS)	Committee for Technical Regulation and Metrology (CTRM)	Centre for Standardization and Metrology	National Standardization Institute (NSI)	Tajikstandart
Conformity assessment	Independent conformity assessment bodies	Institute of Standardization and Certification (KazInSt)	Centre for Standardization and Metrology	Independent conformity assessment bodies	Tajikstandart
Accreditation	General Directorate of Accreditation (DPA)	National Accreditation Centre	Centre for Accreditation	National Accreditation Centre (MOLDAC)	Tajikstandart
Metrology	General Directorate of Metrology (DPM)	Kazakhstan Institute of Metrology (KazInMetr)	Centre for Standardization and Metrology	National Metrology Institute (NMI)	Tajikstandart
Market surveillance	Departments/ Inspectorates of branch ministries; Consumer Protection Commission; National Food Authority; Food Safety and Veterinary Institute; Market Surveillance Inspectorate; Consumer Associations	Territorial Departments of the CTRM; Departments/ Inspectorates of branch ministries	State Inspectorate of Environmental and Technical Safety; Departments/ Inspectorates of branch ministries	Consumer Protection Agency; National Food Safety Agency; Departments/ Inspectorates of branch ministries	Trade Inspection of Tajikstandart; Departments/ Inspectorates under line ministries

5. The development of the standardization and quality assurance systems was based on multi-year development plans, inspired by a drive to harmonize national legislation with the requirements of the multilateral trading system and those proper to main trading partners. The plans were geared to, among others, ensuring public safety; safeguarding the environment; promoting energy efficiency; improving competition; and, supporting regional and global integration.

6. Risk management was mainly addressed through regulatory impact assessments (RIA), which by virtue of focusing on the planning processes, did not allow for establishing a comprehensive risk management system.

7. Moreover, the specialized State agencies, including standard setting and conformity assessment bodies had limited revenue base, so that they were unable to invest in attracting and maintaining experts and/or, in the case of conformity assessment bodies, acquire modern laboratory equipment and supplies. All the agencies relied on the public purse for financing their running expenditures. Training, which all the agencies stressed as critical for improving their services, were mainly provided following a piece-meal approach within the context of donor-funded projects.

8. In the case of Tajikistan, the dominance of a single agency, namely Tajikstandart, caused conflicts of interests, which undermined the effectiveness of the entire system. Tajikstandart develops technical regulations, inspects, tests and then certifies products against these very same technical regulations. It also accredits conformity assessment bodies. The Government was taking steps to modernize the entire system so that the functions of standardization, conformity assessment, accreditation, metrology and market surveillance would be performed by independent agencies with specialized staff.

9. All of the reviewed countries reported effective cooperation with the international organizations. As shown in table 2, countries were at different stages of obtaining membership in regional and international organizations and of entering into the European Cooperation for Accreditation Multilateral Recognition Agreement (EA MLA) and the International Laboratory Accreditation Cooperation Mutual Recognition Arrangement (ILAC MRA). However, given the above-mentioned capacity shortfalls, their membership in these organizations was elusive.

Table 2. Participation of the revised countries in the international/regional organizations

N	*International/regional organizations*	*Albania*	*Kazakhstan*	*Kyrgyzstan*	*Moldova*	*Tajikistan*
International organizations						
1	Organization for Standardization (ISO)	CM	**FM**	CM	CM	CM
2	International Organization of Legal Metrology (OIML)	**FM**	**FM**	n.a.m	CM	n.a.m
3	International Electrotechnical Commission (IEC)	AM	AM	n.a.m	AM	n.a.m
4	International Laboratory Accreditation Cooperation (ILAC)	**FM**	**FM**	**FM**	**FM**	n.a.m
	International Laboratory Accreditation Cooperation Mutual Recognition Arrangement	S	S	S	S	n.y.a
5	Bureau International des Poids et Mesures (BIPM)	AM	**FM**	n.a.m	AM	n.a.m
6	International Accreditation Forum (IAF)	**FM**	**FM**	n.a.m	n.a.m	n.a.m
	International Accreditation Forum Multilateral Recognition Arrangement	n.y.a	S	n.y.a	n.y.a	n.y.a
7	International Measurement Confederation (IMEKO)	**FM**	**FM**	n.a.m	n.a.m	n.a.m

N	*International/regional organizations*	*Albania*	*Kazakhstan*	*Kyrgyzstan*	*Moldova*	*Tajikistan*
Regional organizations						
8	European Association of National Metrology Institutes (EURAMET)	**FM**	n.a.m.	n.a.m.	n.a.m.	n.a.m.
9	European Cooperation for Accreditation (EA)	**FM**	n.a.m.	n.a.m.	AM	n.a.m.
	European Cooperation for Accreditation Multilateral Recognition Agreement	S	n.y.a.	n.y.a.	S	n.y.a.
10	European Committee for Standardization (CEN)	AfM	n.a.m.	n.a.m.	n.a.m.	n.a.m.
11	European Committee for Electrotechnical Standardization (CENELEC)	AfM	n.a.m.	n.a.m.	n.a.m.	n.a.m.
12	CIS Inter-State Council for Standardization, Metrology and Certification (EASC)	n.a.m.	**FM**	**FM**	**FM**	**FM**
13	Euro-Asian Cooperation of National Metrological Institutions (COOMET)	n.a.m.	**FM**	**FM**	**FM**	**FM**

Legend: FM - full member, AM - associated member, CM - corresponding member, S - signatory, n.a.m. - not a member, n.y.a. - not yet admitted.

III. Technical regulation

10. In all of the reviewed countries, technical regulations were elaborated by means of referencing to standards. This method involved mentioning only the essential safety requirements (or other requirements of the general interest) in the text of the legislative act, while listing the voluntary standards (which, when met, create a presumption of conformity). Driving technical regulation development were the countries' regional integration efforts, so that legislative approximation constituted the main reference framework for guiding decisions on technical regulations (Box 1).

11. The countries consider it as a good practice that the development of technical regulations is based on RIAs. RIAs are seen as a critical element for ensuring that regulatory requirements are well understood, that the benefits are greater than the costs, and that there are no alternative regulations for minimizing the costs assumed by enterprises. However, all the countries lacked the capacity to conduct rigorous RIAs due to the lack of qualified staff. For Albania and the Republic of Moldova, these capacity shortfalls came in addition to the recurrent government shuffles that have been disrupting the drafting process and generating high turnover rates. This has rendered a situation, whereby approximation took the form of transposing the translated corresponding EU directives into national law without proper adaptation.

Box 1. Regulatory harmonization in ECE region

In 2017, the Republic of Moldova was following ambitious plans [4] to approximate the entire set of EU horizontal Directives [5] along with 80 sectoral Directives.[6]

Members of the Eurasian Economic Union (EAEU) agreed to adopt common technical regulations for 61 products which were incorporated in the "Single List of Products". Existing national technical regulations for products were applicable until the entry of the common regulations into force.

12. In a cause-effect relation, the weaknesses in the decision-making process have set the limits to successful implementation. As shown in the remaining sections, there remained a gap in institutional capacities, both in terms methodologies for generating synergies between the different policy areas and in terms of the required procedures for implementing technical regulations. Hence, the double challenge for institutionalizing risk management in regulatory systems, as efforts have to take into account the capacity shortfalls in each area.

IV. Standardization

13. One of the main drivers for the modernization of the standardization system of the reviewed countries has been the accession to the WTO. For example, Tajikistan's authorities took the responsibility to dispense with mandatory standards by 2018.[7] Regional integration efforts was another factor driving standardization policies and priority was given to harmonizing standards for export-oriented, import-substituting and innovative industries.

14. Consistent with international best practices,[8] the standards were developed by technical committees. These were structured to ensure the broadest possible participation and create synergy with technical regulation development. Kyrgyzstan had 23 technical committees, Kazakhstan – 51 committees, Albania – 75 committees and the Republic of

[4] See the National Action Plan for the Implementation of the Association Agreement (PNA AA) for 2014-2016 (approved by Governmental Decision No.808 of 7 October 2014 and amended by Decision No.713 of 12 October 2015) which spells out legislative and procedural reforms covering TBT provisions, and the Legislative Programme on implementing the commitments under the AA (Parliament Decision No.146 of 9 July 2015). In late 2016, the Government was preparing a new action plan on implementing Association Agreement for the period 2017-2019.

[5] EU horizontal directives are established under the EU New Legislative Framework (NFL) for technical harmonization and standardization and the EU Directive 2001/95/EC on general product safety. The NFL principles and rules are set out under EC Regulation 765/2008 (for accreditation and market surveillance) and Decision 768/2008/EC (on a common framework for the marketing of products). EC Regulation 765/2008 and Decision 768/2008/EC are available at: http://ec.europa.eu/growth/single-market/goods/new-legislative-framework/index_en.htm

[6] The EU sectoral directives define for each product group the essential health and safety requirements and the specific conformity assessment procedures to be followed).

[7] Regulatory and Procedural Barriers to Trade in the Republic of Tajikistan: Needs Assessment / UNECE, 2014. – 114 p. – P. 51.

[8] See NSI Code of Best Practice (CBP 1-2) of 17 June 2014 on the "Principles and methodology of standardization". The structure and organization of technical standardization committees", which is based on international best practices as established under the provisions of the WTO Code of Good Practice (Annex 3 of the TBT Agreement), ISO/IEC Guide 59:1994 Code of Good Practice for Standardization and the CEN-CENELEC the Guide 20.

Moldova-18 committees. The committees brought together representatives from producers, traders, business and professional associations, research institutions, consumer associations, market surveillance authorities, testing laboratories, certification bodies and line Ministries, who worked under the guidance of an elected chair.

15. In practice, all of the countries were standard-takers and adopted harmonized standards as national standards through the cover sheet method. The main benefit of the standard-taker strategy is a quick modernization of local standards. However, this strategy generated significant risks for the local economy. One important consequence is that the international standards responded to the priorities of the developed countries. As such, they were more tuned with the realities of large companies rather than small and medium enterprises (SMEs) that dominated the economies of all the countries under review. This has meant that the enterprises were not ready to adequately respond to the rapid transformation of the national standards.

V. Conformity assessment (accreditation, product certification) and market surveillance

16. The conformity assessment systems of the reviewed countries were the subject of targeted reforms. In the case of Albania and the Republic of Moldova, reforms were geared towards institutionalizing the basic principles and rules established under the EU New Legislative Framework (NLF) for technical harmonization and standardization,[8] including: the presumption of conformity; demarcation economic operators' responsibilities; protection of CE marking; designated procedures for conformity assessment; and, the separation of accreditation from other quality control and quality assurance functions.

17. The aim, as emphasized by interviewed officials, was to ensure adherence to safety and quality requirements throughout the product life cycle without creating unnecessary non-tariff barriers. This strategic goal also formed the focus of the remaining countries that were members of the EAEU.

18. However, conformity assessment results issued by national Conformity Assessment Bodies (CABs) were not recognized in the EU, as the accreditation agencies were yet to join the European Cooperation for Accreditation (EA) Multilateral Recognition Arrangement (MLA) and International Laboratory Accreditation Cooperation (ILAC) mutual recognition agreement (MRA). The signing of such agreements required strengthened the accreditation agencies, addressing capacity shortfalls within CABs; and, consolidating the country's market surveillance system.

19. Accreditation bodies operated under binding financial constraints, as Governments could not invest in improving their services, even as the costs were modest. This had been particularly the case with ILAC's peer assessments. Moreover, the majority of the existing CABs were publically owned, and, given the governments' budget constraints, were unable to invest in new testing laboratories.

20. Similarly, the Governments were unable to cover the costs for translating the guides and technical documents by specialized international organizations from English into national languages. For example, the Kyrgyz Centre for Accreditation (KCA) under the Ministry of Economy had only 3 staff, who were fluent in English, and while they were highly qualified lead assessors (1 for laboratories, 1 for certification and 1 for inspection

[8] The NFL principles and rules are set out under EC Regulation 765/2008 (for accreditation and market surveillance) and Decision 768/2008/EC (on a common framework for the marketing of products). EC Regulation 765/2008 and Decision 768/2008/EC are available at: http://ec.europa.eu/growth/single-market/goods/new-legislative-framework/index_en.htm.

bodies), they could not attend to the centre's translation needs. The centre was unable to attract qualified staff, since its salary scale was at par with that of the public sector, and could not generate enough income from fees. The fees for accrediting CABs, set at USD 1000 in 2015 by the Antimonopoly Authority, were too low to allow for achieving any degree of self-sufficiency.

21. As shown in box 2, mutual recognition agreements (MRAs) stood as the only mechanism for establishing cooperation arrangements with international trading partners. The TBT Agreement encourages members to enter into technical equivalence agreements (TEAs) with trading partners. These offer the most efficient tool for harmonization since they imply that products do not have to comply with the regulations of the importing country, assuming that the same objectives are fulfilled by the requirements of both countries. If establishing TEAs proves to be difficult, the Government considers establishing comprehensive mutual recognition agreements (MRAs), which cover several different industries and regulatory issues.

Box 2. Examples of mutual recognition agreements in the countries under review

Albanian conformity assessment bodies have established cooperation agreements with the their counterparts in Azerbaijan, Bosnia Herzegovina, Croatia, Czech Republic, Greece, FYROM, Kosovo, Montenegro, Poland, Romania, the Russian Federation, Sweden, Turkey.[10]

Kyrgyzstan had signed mutual recognition agreements with Azerbaijan, Armenia, Belarus, Georgia, Kazakhstan, Moldova, China, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.[11]

The Republic of Moldova has established cooperation agreements in with Belarus, Bosnia and Herzegovina, Cyprus, Czech Republic, Estonia, Kazakhstan, Kyrgyzstan, Macedonia, Poland, Romania, Slovakia, Turkey and Ukraine.[12]

22. Countries attached great importance to developing effective market surveillance systems. However, these systems were developed in the absence of a coherent risk based strategy. For example, the establishment a market surveillance system was guided by the National Strategy on Consumer Protection and Market Surveillance for the period 2014-2020. The strategy emphasized the urgent need for: establishing a national database of non-food products; developing adequate information and communication technology infrastructure for supporting information exchange between different market surveillance agencies; and, for implementing a risk classification and assessment methodology. These capacity shortfalls were seen as impeding the country's participation in the EU Rapid Alert System for dangerous non-food products (RAPEX) and the Information and Communication System for Market Surveillance (ICSMS).[13]

23. The strategy did not contain a risk assessment methodology; policy statement on the principles underpinning market surveillance activities; and, internal guidelines defining the scope of interagency coordination and procedures for facilitating such coordination. Complementary measures were also needed, including food traceability systems.

[10] Regulatory and Procedural Barriers to Trade in Albania: Needs Assessment / UNECE, 2016. – 149 p. – P. 87.

[11] Regulatory and Procedural Barriers to Trade in the Republic of Kyrgyzstan: Needs Assessment / UNECE, 2015. – 230 p. – P. 105.

[12] Regulatory and Procedural Barriers to Trade in the Republic of Moldova: Needs Assessment / UNECE, 2017. – 196 p. – P. 62.

[13] Regulatory and Procedural Barriers to Trade in Albania: Needs Assessment / UNECE, 2016. – 149 p. – P. 101-102.

24. Other countries adopted an incremental approach to developing the market surveillance system, focusing on priority products with high export potential. This was the case of Kyrgyzstan, which applied a progressive approach in the inspection activities of the

Box 3. An incremental approach to market surveillance systems: the experience of Kyrgyzstan

SIETS inspections are carried out within the context of risk-based planning, and enterprises could address their inquiries to SIETS through a hotline. Inspection plans are prepared based on risk assessments, and submitted to the Ministry of Economy for approval one year in advance. Enterprises that are assessed as posing a high risk (due to shortfalls in the equipment, product, technology and works) are inspected once a year. Enterprises with medium risk levels are inspected once every three years, while those with low risk levels are inspected once every five years [14]

State Inspectorate of Environmental and Technical Safety (SIETS), as seen is box 3.

VI. Policy implication

25. The evidence emerging from ECE studies show that establishing risk based management systems for guiding standardisation and quality assurance functions is a challenging undertaking. The countries under review lacked the required rulemaking, conformity assessment, and accreditation capacities to detect and address foreseen and unforeseen risks that may deter the achievement of regulatory objectives throughout the product life cycle.

26. The evidence also suggests that establishing risk based systems will not automatically translate into increased and diversified exports. Compliance with safety and quality regulatory requirements often involves investments in specialized production technologies and expensive equipment, which may not be available locally. For the majority of the enterprises in the reviewed countries, where comparative advantage lies in maintaining low capital costs and high labour inputs, even relatively small additional investments in equipment could overstretch available short-term credit limits and result in substantial increases to marginal costs.

27. Moreover, the required equipment or management expertise is not always available locally, and the enterprises lack the capacity to conduct international searches for suitable suppliers. Even where equipment and related auxiliary services were available locally, they were often more expensive than imports. Thus, for enterprises the costs of compliance are likely to be higher than for competitors in developed countries. With the list of environmental, health and safety standards and technical regulations continuously expanding to reflect the complexities of international supply chains, the traders are likely to face worsening market access conditions in regional and global markets.

28. These fundamental requirements should be addressed as the governments forge ahead in establishing risk based systems.

[14] Regulatory and Procedural Barriers to Trade in the Republic of Kyrgyzstan: Needs Assessment. UNECE, 2015. – 230 p. – P. 108.

United Nations ECE/CTCS/2018/10

Economic and Social Council

Distr.: General
20 February 2018

Original: English

Economic Commission for Europe

Steering Committee on Trade Capacity and Standards

Fourth session
Geneva, 3-4 May 2018
Item 6 (b) of the provisional agenda
Capacity-building and technical assistance activities

Report on capacity-building and technical assistance activities

Submitted by the Secretariat

Summary

This document provides an overview of capacity-building and technical assistance activities carried out under the UNECE sub programme on trade during the period April 2017 – March 2018. It includes activities carried by Working Party on Regulatory Cooperation and Standardization Policies (WP.6); Working Party on Agricultural Quality Standards (WP.7); the United Nations Centre for Trade Facilitation and Electronic Business (UN/CEFACT) and the Regional Adviser.

Sections implemented by UN/CEFACT are for information only.

This report is presented to the Steering Committee on Trade Capacity and Standards for decision.

GE.18-02602(E)

Please recycle

I. Introduction

1. The ECE Trade Sub-programme supports trade and economic cooperation among ECE Member States and facilitates their integration into global value chains, drawing on the work of its intergovernmental bodies and expert groups. The sub-programme contributes to ensuring:

(a) A predictable, transparent and harmonized regulatory environment for commerce and business through strengthening of the convergence of regulations, as well as through the promotion of international standards and best practices in areas of regulatory cooperation, conformity assessment and market surveillance;

(b) Sustainable trade in agricultural produce, integration into international supply chains and food loss reduction through the development of agricultural quality standards and related international best practice for implementation and use by regulatory authorities as well as the private sector;

(c) Simple, transparent and effective processes for global commerce through the development and maintenance of international trade facilitation instruments including global standards and best practices for moving from paper-based to automated electronic environments and for the harmonization and simplification of the business processes underpinning export and import activities.

2. Technical assistance and capacity building activities are demand-driven and delivered in close cooperation with development partners. The activities aim at supporting ECE Member States, especially less economically developed and landlocked countries, in their efforts to implement ECE trade-related standards, recommendations and best practice guides. Activities also seek to support the removal of regulatory and procedural barriers to trade caused by capacity shortfalls and differences in administrative procedures, regulations and standardization policies.

3. The next section provides an overview of the Trade sub programme's capacity building and technical assistance activities for the period April 2017 – March 2018, highlighting the main objectives, achieved results, and development partners. Section three lists the activities carried out by the Trade Sub-programme's Regional Adviser.

II. Capacity building activities for the period April 2017 – March 2018

No.	Title, Date, Venue	Objectives	Results	Partners
1.	Strengthening the national capacity of trade-support institutions of Kyrgyzstan (1 July 2016-30 June 2018)	To develop training materials for trade support institutions and familiarize traders and government officials with international and national trade-related regulations, policies, trends and issues.	Developed and translated into Russian training content on supply chain management; single window implementation and facilitation of imports and exports procedures; and, risk management in regulatory frameworks conformity assessment and market surveillance. First series of training workshops will be carried out in (Kyrgyzstan) in March 2018.	Government of Kyrgyzstan
2.	Supporting the Removal of Regulatory and Procedural Barriers to Trade in the Republic of Tajikistan (capacity building project, 1 October 2017-31 September 2018)	To assist Tajikistan in establishing a National Trade Facilitation Committee (NTFC) in line with the recommendations emerging from the ECE study on regulatory and procedural barriers to trade and, thereof, enable the Government to fulfil its commitments under the Agreement on Trade Facilitation (ATF).	Organized a national "kick-off" workshop to identify the national training needs of NTFC and launch the project (February 2018).	Government of Tajikistan, International Trade Centre (ITC) and United Nations Conference on Trade and Development (UNCTAD).
3.	Conference on Standards for the Sustainable Development Goals (28-29 November 2017)	To raise awareness about the contribution of standards to achieving the 2030 agenda, the challenges to realizing the potential of standardization, and the role of governments therein.	Showcased examples of how standards are used by Member States in pursuing the 2030 Development Agenda	International Electrotechnical Commission (IEC), International Organization for Standardization (ISO), International Social and Environmental Accreditation and Labelling (ISEAL) Alliance, Geneva International Centre for Humanitarian Demining, Global Reporting Initiative (GRI), UNCTAD, World Wildlife Fund (WWF).

No.	Title, Venue, Dates	Objectives	Results	Partners
3.	Economic Implications of Non-Tariff Measures (NTMs), 10-11 April 2017, Geneva, Switzerland. Organized jointly with UNCTAD as part of the United Nations Development Account (UNDA) funded project (10th tranche 2016-2019) Strengthening the national capacities of selected UNECE countries for evidence-based regulatory and procedural trade policies to achieve SDGs	Familiarize experts from line Ministries and national research institutions with main approaches to: (i) identifying the key characteristics of NTMs, their prevalence and impact on trade flows; (ii) evaluating the accuracy of studies, which use econometric tools for quantifying the impact of NTMs on trade flows; and, (iii) factoring NTM considerations into national development strategies	The theoretical and practical underpinnings of such approaches were shared. A final report , synthesizing the proceedings of the workshop was published at: http://www.unece.org/index.php?id=45622	UNCTAD
4.	Strengthening the capacity of Central Asian countries to implement trade facilitation measures (Capacity building project, 1 January 2018-31 December 2019)	To strengthen national capacities of the beneficiary countries to implement trade facilitation measures and better integrate into the international rules-based trading system.	Training materials and modules for national TF courses are being developed, covering relevant target areas for implementing WTO ATF Articles 10.1 on formalities and documentary requirements; 10.3 on use of international standards; 10.4 on single window; and 23.2 on national trade facilitation committee (NTFCs).	
5.	Workshop on Sustainable Cross-border Trade of Fresh Fruit and Vegetables (22 - 24 March 2017), Thessaloniki, Greece jointly organized with the Government of Greece. Carried out as part of UNDA funded project, 9th tranche (2014-2017) Strengthening the	To strengthen national capacities for using international best practices, tools and instruments as well as developing integrated strategies for facilitating cross-border agri-food trade.	The workshop featured a special focus on women and their role in agricultural production, trade and inspection (mainly female audience); and on the implementation of UCE standards, export and import inspection methods, food safety, quality assurance and marketing issues in the Balkan region. It brought together all Balkan countries as well as Greece. In addition to demand -driven theoretical and practical training, the workshop involved a study tour to the port of Thessaloniki – the largest sea port in the region- and a packing	Government of Greece

	capacity of transition and developing economies to participate in cross-border agricultural food supply chains		house. The workshop also presented the case of Greece where, owing to an ECE (European Union-EU) funded project that was implemented several years back, agricultural exports increased and efficiency in production, certification and inspection improved.	
6	Workshop on Sustainable Cross-border Trade of Fresh Fruit and Vegetables: Quality—Food Safety—Sustainability, 10-13 July 2017, Tashkent, Uzbekistan jointly organized with the United Nations Development Programme (UNDP) and supported by Gesellschaft für Internationale Zusammenarbeit (GIZ) Uzbekistan. Carried out as part of United Nations Development Account (UNDA) project 9th tranche (2014-2017) Strengthening the capacity of transition and developing economies to participate in cross-border agricultural food supply chains	To strengthen national capacities for using international best practices, tools and instruments as well as developing integrated strategies for facilitating cross-border agri-food trade.	The workshop focused on fresh fruit and vegetables, with a view to raising awareness and fostering adoption of ECE standards, export and import inspection methods, food safety and quality assurance in the region. Following the adoption by two Central Asian countries of several ECE standards and their cooperation on dried apricots, joint training and production pooling to increase export opportunities for the whole region, particularly the Fergana Valley, the focus on fresh fruit and vegetables was requested by the countries of the region. The workshop contributed to UNDP and GIZ field projects and involved field visits to orchards and packing facilities (with on-site training). The workshop speeded up the adoption of ECE standards, with Uzbekistan adopting 80 ECE standards by the end of 2017. The ad-hoc regional working group expanded to become more standing in nature and to include public and the private sectors in Tajikistan, Kyrgyzstan and Uzbekistan. The training material on the ECE standard for dried apricots was finalized with the support of donor agencies active in Tajikistan (including Hilfswerk Austria) and their funds from the EU. It was translated into Tajik, Kyrgyz and Uzbek languages. Further two requests for workshops were received in early 2018 from authorities and UNDP. ECE coordinates all its activities through the UN country teams, UNDP and donor agencies active in the	UNDP, GIZ, Hilfswerk Austria

			region to maximize impact and sustainability of achieved results.	
7.	Workshop on Sustainable Meat Markets, Cross-border Trade and Eating Quality, 10 - 11 August 2017, Dublin, Ireland jointly organized with Government of Ireland's Agriculture and Food Development Authority (Teagasc). Carried out as part of United Nations Development Account (UNDA) project, 9th tranche (2014-2017) Strengthening the capacity of transition and developing economies to participate in cross-border agricultural food supply chains	To strengthen national capacities for using international best practices, tools and instruments as well as developing integrated strategies for facilitating cross-border agri-food trade	The workshop trained in practical and theoretical sessions participants in quality production and standards for international meat trade particularly, the ECE standards. It also provided training on the development and structuring of meat markets, eating quality, beef and lamb carcass grading to underpin consumer satisfaction and the implementation of ECE standards. Because of this workshop, the Central Asian participants under the project managed to increase their understanding and the practical application of standards, internationally traded cuts, traceability and meat trade.	UNDP, GIZ, Hilfswerk Austria, IIC Government of Ireland's Agriculture and Food Development Authority (Teagasc)
8.	Cross-regional (international) Workshop on Cross-Border Trade of Meat and Electronic Certification (19 - 21 September 2017), Nanjing, Tianjin, China organized with ESCAP and supported by Nanjing Agricultural University and Tianjin AQSIQ and the ports of Tianjin. Carried out as	To strengthen national capacities for using international best practices, tools and instruments as well as developing integrated strategies for facilitating cross-border agri-food trade	The focus of the workshops was on international meat trade and related electronic certification. Participants included experts from the ECE region as well the ESCAP region. It combined both parts of the UNDA 9th tranche project in theoretical and practical sessions as well as study tours. As a result of this workshop, participants from both regions exchanged their experiences and views on ECE's and ESCAP's role in international trade of meat. They also gained insight into research, production, food safety issues and sales as well as developing and using electronic	ESCAP, Nanjing Agricultural University AQSIQ Tianjin

No.	Title, Dates, Venue	Objectives	Results	Donors
	the last workshop under the United Nations Development Account (UNDA) project, 9th tranche (2014-2017) Strengthening the capacity of transition and developing economies to participate in cross-border agricultural food supply chains		certification and inspection procedures to further facilitate trade and traceability (meat).	
9.	Workshops on the development of standards for meat, fresh and dried produce. May, June and November 2017, Geneva, Switzerland. Carried out as part of UNDA project, 9th tranche (2014-2017)	To strengthen national capacities for using international best practices, tools and instruments as well as developing integrated strategies for facilitating cross-border agri-food trade.	The workshops were organized as part of regular WP.7 sessions, and resulted in increased understanding amongst participants from the Balkan and the Central Asian regions of the development and implementation of international best practices for facilitating cross-border agri-food trade and in some cases the adoption of international best practice and standards as first steps towards increased agricultural trade.	GIZ, Hilfswerk Austria, UNDP

III. Regional Adviser's capacity building and technical assistance activities during the period April 2017 – March 2018

No.	Three/Four-Year Plan	Objectives	Results	Partners
1.	Three advisory services to the Government and Interagency Working Group on Trade Facilitation and Logistics of Ukraine	Support the Interagency Working Group on Trade Facilitation and Logistics of Ukraine Endorse the results and follow-up to the Single Window and Data Harmonization seminar, held in Irpen, Oct. 2016; discuss follow-up with agencies and partners Build up on the results of assessment of Ukraine's readiness to implement the WTO Trade Facilitation Agreement and help the Ukrainian Government prepare the B and C category categorization and notification to the WTO Secretariat. Provide advisory support to the national Single Window team on data harmonization and alignment to international standards	Recommendations of the October 2016 seminar on Single Window (SW) and Data Harmonization endorsed, and decision of further activities made for submission to the Council of Ministers of Ukraine. Request endorsed to help Ukraine's Government prepare a project on data harmonization (for support by, among others, EU and EUBAM) Support provided to the Government to prepare notifications for category B and C measures in the WTO ATF. Capacity to establish and manage National Trade facilitation (TF) Committees built. Report on the achievements of the PCS project in Odessa and its replication for the further development of a national SW in Ukraine, and for data harmonization, aligned with the EU Single Window. Proposal for new focus of cooperation in 2018, notably on data harmonization for the national SW project in Ukraine and for e-corridor projects.	Government of Ukraine (Ministries of Economic Development and Trade, Infrastructure, and others, Customs), the business community, Interagency Working Group on Trade Facilitation and Logistics, European Commission, EUBAM, CUDP, etc.
2.	7th UCC seminar in Odessa on trade facilitation and the Single Window, 1 June 2017, on agricultural trade procedures simplification, WTO Trade Facilitation Agreement Impact on Agri-food Trade, and a peer review of the	As a result of the capacity-building: (i) included tools for the automation of agricultural certificates (including UNECE/FAO tools) in the work on the national Single Window in Ukraine; (ii) explored expansion of the work of the Odessa port community system to agri-food trade; (iii) contributed to the regional capacity-building	(i) Training and background material on the development of a national Single Window, electronic agricultural certificates, and data harmonization prepared and sent to the SW team in Ukraine; (ii) Port Community System explores possibilities for covering further modes of exports and imports of agricultural goods, and; (iii) successful training on trade facilitation	Interagency Working Group on Trade Facilitation and Logistics of Ukraine, WTO, FAO, various government agencies

No.	Title / Date / Venue	Objectives	Outputs	Partners
	Odessa port community system.	on trade facilitation in the agricultural supply chains in Eastern Europe, the Caucasus and Central Asia	in the agricultural supply chain for the Regional Workshop on the WTO ATF impact on agri-food trade. Materials published on: http://unece.plaske.net and http://www.unece.org	
3.	Three advisory services to the EU Task Force on Single Window Legal Issues	Provide advice to the EU Task Force on Single Window Legal Issues on the new UN/CEFACT and ECE instruments on SW definition (white paper) and SW interoperability (draft Recommendation 36)	ECE standards and Single Window recommendations adopted in the work of the Task Force, notably the new white paper on SW definition and Rec. 36 on SW Interoperability (notably, interoperability within the EU and between the EU and its trading partners)	European Commission DG TAXUD, governments of the EU MSs.
4.	Assessment of the readiness of Azerbaijan to implement the WTO TFA (28.3-15.10.2017).	Provide WTO ATF readiness assessment to the Government of Azerbaijan for supporting its WTO accession negotiations. Build capacity of the national consultant to carry out a survey and a study of the readiness and capacity of the stakeholder agencies to understand the measures in the Agreement.	Azerbaijan's WTO ATF readiness assessment completed. National consultant and representatives of various stakeholder agencies substantially improved their understanding of the measures in the TFA. Recommendations for the Government for the next phase of WTO accession negotiations.	Government of Azerbaijan (Ministries of Foreign Affairs and Economic Cooperation), UNCTAD, GIZ, and other partners.
5.	High-level seminar and Working Group (WG) meeting at the WTO Headquarters on 10 July 2017.	Consider the specificities of the SPEC A region and its trade development needs; discuss measuring progress in implementing the SDGs; and further develop a regional ET strategy.	The WG on Trade identified a list of principles for steering trade development and sustainable development. A regular biannual stocktaking of progress made in achieving SDG target 17.10 (promotion of the international rules-based trading system under the WTO) and SDG target 17.11 (increasing the share of developing countries in global exports – notably with data on the SPEC A countries) took place. Regional SPEC A trade facilitation strategy further developed.	
6.	Joint ECE - Black Sea Economic Cooperation (BSEC) seminar on Single Window	To adopt recommendations on the next steps for supporting SW interoperability in the BSEC region. To support the finalization of the regional	Seminar on Single Window and SW interoperability successfully organized. BSEC Member States initiated work to	BSEC Permanent Secretariat, EU Commission, and BSEC Member States.

	interoperability (20-22 September 2017)	BSEC Trade Facilitation Strategy; and; (iii) promote the implementation of National Single Window and Port Community Systems in the BSEC region.	support of SW interoperability in the region. The text of the regional BSEC Trade Facilitation Strategy was prepared to support BSEC discussions.	
7.	Workshop on Transport- and Trade-related SDGs, Podgorica, Montenegro, 11-12 October 2017	Strengthen understanding of the transport- and trade-related SDGs among policy-makers and experts in the Western Balkan countries; promote UN Conventions, rules, standards and practices that foster the parallel advance of transport, trade and sustainable development; identify focal points for SDGs cooperation in invited countries; and liaise with the UN Office in Montenegro on these issues.	Recommendations from the Workshop were adopted. UCC Secretariat delivered comprehensive guidance on how to collect relevant statistics to monitor and report on SDGs achievement. Background paper (to support the development policy documents in the region) prepared and discussed.	Governments of Montenegro and the other Western Balkan countries, UNDP Montenegro
8.	2017 SPECA Economic Forum on Innovation for the SDGs in the UN Special Programme for the Economies of Central Asia (SPECA) Region (including innovative trade facilitation tools) and 12th session of the SPECA Governing Council	Support the development and adoption of recommendations from the Forum and decisions of the Governing Council session, develop the SPECA Work Plan for 2018-2019 and prepare SPECA countries to chair the Programme in the future; and, discuss SPECA evaluation report and preparations for a review of SPECA at the 20th anniversary session of the governing bodies in 2018.	The Economic Forum on Innovation for the SDGs in the SPECA region successfully carried out; plan made to draft a regional innovation strategy. 12th session of the Governing Council successfully carried out and decisions adopted on all items. All SPECA countries, experts from SPECA and other countries, representatives of international and regional organizations, business and academia took part in the events. SPECA Evaluation Report reviewed. Position of SPECA as a platform to support regional cooperation for the implementation of the SDGs strengthened. Countries lined up to chair SPECA: Kazakhstan in 2018, Turkmenistan in 2019, and Kyrgyzstan in 2020.	Ministry of the Economy, Tajikistan; UNDP Tajikistan; ESCAP
9.	Finalization of the capacity building project (upgrading the technical equipment at	The delivery of the Shushari seed potato laboratory.	Detailed inventory was carried out along with a two-day practical training for the laboratory staff.	Leningrad Oblast Branch of the Federal State Institution "Russian Agricultural

No.	Title, Venue, Dates	Objectives	Results	Contacts
	the Shushari potato seed laboratory), St. Petersburg, Russian Federation, 22-26 January 2018.			Centre"

E/ESCAP/2018/10